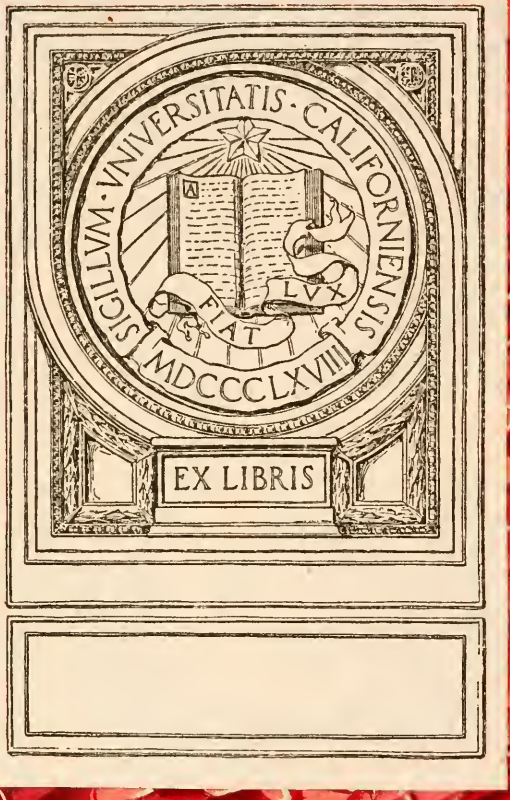
SIGILLVM · VNIVERSITATIS · CALIFORNIENSIS
FIAT
LVX
MDCCCLXVIII
EX LIBRIS

SERIES XXXIII NO. 1

JOHNS HOPKINS UNIVERSITY STUDIES
IN
HISTORICAL AND POLITICAL SCIENCE
Under the Direction of the
Departments of History, Political Economy, and
Political Science

MONEY AND TRANSPORTATION IN MARYLAND 1720-1765

BY

CLARENCE P. GOULD, Ph.D.
Michael O. Fisher Professor of History in The University of Wooster

BALTIMORE
THE JOHNS HOPKINS PRESS
1915

THE JOHNS HOPKINS PRESS OF BALTIMORE.

American Journal of Insanity. Quarterly. 8vo. Volume LXXI in progress. $5 per volume. (Foreign postage fifty cents.)

American Journal of Mathematics. FRANK MORLEY, Editor. Quarterly. 4to. Volume XXXVII in progress. $5 per volume. (Foreign postage fifty cents.)

American Journal of Philology. B. L. GILDERSLEEVE, Editor. Quarterly. 8vo. Volume XXXVI in progress. $3 per volume. (Foreign postage fifty cents.)

Beiträge zur Assyriologie und semitischen Sprachwissenschaft. PAUL HAUPT and FRIEDRICH DELITZSCH, Editors. Volume X in progress.

Elliott Monographs in the Romance Languages and Literatures. EDWARD C. ARMSTRONG, Editor. 8vo. $3 per year.

Hesperia. HERMANN COLLITZ and JAMES W. BRIGHT, Editors. Six numbers have appeared.

Johns Hopkins Hospital Bulletin. Monthly. 4to. Volume XXVI in progress. $2 per year. (Foreign postage fifty cents.)

Johns Hopkins Hospital Reports. 4to. Volume XVII in progress. $5 per volume. (Foreign postage fifty cents.)

Johns Hopkins University Studies in Historical and Political Science. 8vo. Volume XXXIII in progress. $3 per volume.

Johns Hopkins University Circular, including the President's Report, Annual Register, and Medical Department Catalogue. T. R. BALL, Editor. Monthly. 8vo. Volume XXXIV in progress. $1 per year.

Modern Language Notes. E. C. ARMSTRONG, J. W. BRIGHT, B. J. VOS, and C. C. MARDEN (Managing Editor). Monthly. 4to. Volume XXX in progress. $2 per volume. (Foreign postage twenty-five cents.)

Report of the Maryland Geological Survey.

Reprints of Economic Tracts. J. H. HOLLANDER, Editor. Third Series in progress. $2 net.

Terrestrial Magnetism and Atmospheric Electricity. L. A. BAUER, Editor. Quarterly. 8vo. Volume XX in progress. $3 per volume. (Foreign postage twenty-five cents.)

POEMA DE FERNAN GONÇALEZ. Edited by C. Carroll Marden. 284 pp. $2.50 net.

THE TAILL OF RAUF COILYEAR. Edited by William Hand Browne. 164 pp. $1 net.

STUDIES IN HONOR OF PROFESSOR GILDERSLEEVE. 527 pp. $6 net.

THE PHYSICAL PAPERS OF HENRY A. ROWLAND. 716 pp. $7.50 net.

ECCLESIASTES: A New Metrical Translation. By Paul Haupt. 50 pp. 50 cents net.

THE BOOK OF NAHUM: A New Metrical Translation. By Paul Haupt. 53 pp. 50 cents net.

THE HAGUE PEACE CONFERENCES OF 1899 AND 1907. By James Brown Scott. Vol. I, The Conferences, 887 pp.; Vol. II, Documents, 548 pp. $5 net.

DISTURBING ELEMENTS IN THE STUDY AND TEACHING OF POLITICAL ECONOMY. By James Bonar. 156 pp. $1.

THE ECLOGUES OF BAPTISTA MANTUANUS. Edited by Wilfred P. Mustard. 156 pp. $1.50.

THE PISCATORY ECLOGUES OF JACOPO SANNAZARO. Edited by Wilfred P. Mustard. 94 pp. $1.

DIPLOMATIC NEGOTIATIONS OF AMERICAN NAVAL OFFICERS, 1778–1883. By C. O. Paullin. 380 pp. $2.

FOUR PHASES OF AMERICAN DEVELOPMENT. Federalism—Democracy—Imperialism—Expansion. By J. B. Moore. 218 pp. $1.50.

AN OUTLINE IN PSYCHOBIOLOGY. By Knight Dunlap. 121 pp., 77 cuts. $1.25.

A complete list of publications sent on request

MONEY AND TRANSPORTATION IN MARYLAND

1720-1765

SERIES XXXIII NO. 1

JOHNS HOPKINS UNIVERSITY STUDIES
IN
HISTORICAL AND POLITICAL SCIENCE

Under the Direction of the
Departments of History, Political Economy, and
Political Science

MONEY AND TRANSPORTATION IN MARYLAND 1720-1765

BY

CLARENCE P. GOULD, Ph.D.
Michael O. Fisher Professor of History in The University of Wooster

---

BALTIMORE
THE JOHNS HOPKINS PRESS
1915

Copyright 1915 by
THE JOHNS HOPKINS PRESS

PRESS OF
THE NEW ERA PRINTING COMPANY
LANCASTER, PA.

CONTENTS

			Page
Preface			vii
Introduction			9
Chapter	I.	Coinage	11
Chapter	II.	Bills of Exchange	38
Chapter	III.	Tobacco Currency	48
Chapter	IV.	Barter	74
Chapter	V.	Paper Currency	78
Chapter	VI.	General Consideration of Money	112
Chapter	VII.	Transportation and Communication	122

PREFACE

This study forms the second instalment of what is intended to be ultimately a complete economic history of Maryland between 1720 and 1765. The first part, entitled The Land System in Maryland, 1720–1765, appeared in the Johns Hopkins University Studies, Series xxxi, No. 1. Work on the agricultural system is now under way.

The writer is under obligations to Professor Charles M. Andrews of Yale University, who read most of the manuscript and made many valuable corrections and suggestions. The study of the economic history of Maryland was undertaken during the writer's residence at Johns Hopkins University, and as a whole the work owes much to the suggestions and the inspiration of Professor John M. Vincent.

C. P. G.

MONEY AND TRANSPORTATION IN MARYLAND, 1720–1765

INTRODUCTION

There are in every community many things—such as money, roads, and means of communication—which tend to bind persons together and to make possible that intercourse between man and man which constitutes trade. Chief among these integrating forces is the monetary system, without which no interchange of products is possible. From the cattle of the early Romans to the clearing-house certificate of the modern banker, every civilization shows its own peculiar form of circulating medium.

The American colonies, particularly those in the South, present some extremely interesting features in their monetary systems. No less than five kinds of money were circulating side by side in Maryland during the middle years of the eighteenth century. Coin—gold, silver, and copper—constituted, of course, the standard money, though in amount it was unequal to several of the other currencies. The chief use of metallic currency was in the payment of personal expenses and other small debts. Next in importance to coin were bills of exchange, which were employed for many transactions within the colony, were largely used between the several colonies, and formed almost the exclusive medium in the English trade. The third form of Maryland money was the paper currency. First put forth in 1733, for thirty years thereafter printed money played a prominent part in the economic life of the colony. Naturally the circulation of these notes was restricted almost entirely to the boundaries of Maryland. From some points of view the

most interesting money was tobacco. Though gradually declining in importance, yet as late as 1750 tobacco was perhaps satisfying more debts than any other medium. Other agricultural products were employed as currency and were sufficiently different from tobacco to warrant a separate classification. Their use, however, was limited.

CHAPTER I

Coinage

Like all other civilized communities, the American colonies made gold and silver coin both their standard of value and, as far as possible, their medium of exchange. The southern and central parts of America proved so rich in the precious metals that they were able to replenish the disappearing supply in Europe; but as far as was known to the settlers, the English colonies were entirely lacking in gold and silver mines. Hence one of the first economic problems facing the English colonists was to procure enough bullion to supply the needs of their growing trade.

From England, the source of the great bulk of supplies, bullion was to be had only in small quantities. The balance of trade was overwhelmingly against the colonies, and in the ordinary course of commerce no money importation whatever could be expected from England. Outside of trade there were three channels by which a certain amount of coin reached Maryland from the mother-country. The first and most important of these was through settlers. It is natural to suppose that most emigrants, on leaving England, would provide themselves with more or less pocket-money to meet immediate demands. The amount of such a supply is very difficult to estimate, but with four or five thousand settlers a year, it was probably an appreciable addition to the monetary resources of the colony.

The second way in which money reached Maryland from England was through the payment of the expenses of incoming ships. Several of the harbor entrance fees were payable only in sterling. Some of these fees went directly to the crown or to the proprietor, and the money perhaps never circulated in Maryland at all; others came to the local

officials and were quickly spent in the colony. Besides the custom-house dues, ships were also liable for pilotage, provisioning, repairing, and other incidental expenses, which would often be discharged in coin brought from England for those purposes. Sailors, too, would spend a part of their wages during their stay in the colony, and captains frequently paid in sterling for the casks in which tobacco was shipped.[1] It is evident that each ship entering from England was compelled to add her mite to the coin in the colony.

The third method by which England contributed coin to Maryland is more interesting than important. In 1660 Lord Baltimore attacked the problem of Maryland currency, and undertook to supply a coinage of his own.[2] Because of the Fendall revolution the project came to nothing at that time, but it was renewed in 1661. In that year there was passed an act for the establishment of a mint in Maryland,[3] but it is a question whether such an institution was operated in the colony, or whether the proprietor sent over to Maryland coins that he had caused to be struck in England.[4] A few Maryland coins have been preserved.[5] The amount of currency thus provided will never be known, but it could not have been large. An act of twenty-five years later, 1686, again complained of the scarcity of coin, and attempted to remedy the evil, not by increasing the output of the mint, but by regulating the values of foreign coins.[6] Apparently the mint had already been discontinued. In any case the output did not remain an appreciable element in the coinage, and in the records subsequent to 1700 I have never seen an indisputable reference to a Maryland coin.[7]

[1] Lower House Journal, May 6, 1736. It was at one time proposed to tap these sources for sterling money to pay the quit-rents.

[2] Archives of Maryland, vol. iii, pp. 365, 383, 385.

[3] Act of May 1, 1661. See also T. Bacon, Laws of Maryland at Large, 1662, ch. 8.

[4] R. Ruding, Annals of the Coinage of Great Britain and its Dependencies, vol. i, p. 417; J. H. Hickcox, An Historical Account of American Coinage, p. 16.

[5] The Maryland Historical Society has several of these coins.

[6] Act of November 19, 1686.

[7] About the time of the famous Wood patent to supply a coinage for Ireland, there was a similar project on foot to supply the Ameri-

It is evident that the amount of bullion entering Maryland from England must have been utterly inadequate to supply the needs of the colony. Some other source had to be found, which proved to be the West Indies. The trade between those islands and the English mainland colonies usually resulted in a balance against the islands. The West Indies were dependent upon the mainland colonies for their supplies of grain, lumber, and provisions, and the sugar and molasses which they exported were insufficient to balance their heavy staple imports. Much bullion, consequently, was shipped from the West Indies to North America;[8] in fact, the continental colonists came to look upon the West India fleet as gold-laden in much the same way that the Spaniards looked upon their Indian galleons.[9] In this trade Maryland did not take a prominent part. From the early days of the colony it seems that a few small ships sailed each year for the West Indies, and after about 1730 the trade began to grow more brisk, but even in the later years of the colonial period this traffic constituted but a small part of the total commerce of Maryland. The amount of bullion brought directly from the West Indies to Maryland, though increasing as time went on, could not have been very large.[10]

The third and greatest source of bullion for Maryland was the neighboring colonies. Pennsylvania was extensively engaged in the West India trade, and drew thence large supplies of gold and silver which gradually filtered down into Maryland and Virginia. Much Maryland grain, instead of being shipped directly to the West Indies, was sold to

can colonies. The coins were made of an alloy resembling brass, and were issued in three denominations. This plan is also said to have been rejected by the colonists (Acts of Privy Council, Colonial Series, vol. ii, § 1341; Ruding, vol. ii, p. 72). No reference to such a coinage appears in any Maryland record.

[8] An Essay on the Trade of the Northern Colonies of Great Britain in North America, p. 7 (Pennsylvania Historical Society).

[9] "The Jamaica fleet carrying a large quantity of fine sugar also much gold and silver left Jamaica fifty sail in company" (The American Weekly Mercury (Philadelphia), March 17, 1720).

[10] Callister MSS. (Maryland Diocesan Library), September 30, 1757, show an importation of £14. 17s. 1d. from Antigua. See also extract from Mair, Book-keeping Modernized, in William and Mary Quarterly, vol. xiv, p. 87.

Philadelphia and from there exported. This traffic was the means of bringing a great deal of Pennsylvania money into the northern counties of the Eastern Shore.[11] Another means of drawing money from Pennsylvania was through bills of exchange. By tobacco shipments Maryland and Virginia created large credits in England. Pennsylvania, having no staple to ship to England and drawing her manufactures almost exclusively from England, created large debts there. In order to meet these debts, Pennsylvania merchants purchased for cash Maryland and Virginia bills of exchange on England.[12]

Most of the money of Maryland and Virginia was, by one means or another, brought in from the north. The author of The Importance of the British Plantations in America, writing about 1731, estimated that £10,000 per year came to England from Philadelphia in Maryland and Virginia bills of exchange. A later writer said that Virginia received annually £16,000 sterling in cash for bills sent to Philadelphia.[13] In 1744 Benjamin Tasker complained to Lord Baltimore that the great amount of Spanish gold and silver brought in from New York, Pennsylvania, and Virginia was reducing the value of bullion and raising the rates of exchange.[14] In fact, after about 1750, not only Pennsylvania gold and silver, but also Pennsylvania paper money formed a large part of the currency throughout most of Maryland. In order to facilitate this circulation, in 1753 the standard

[11] "The farmer [in the lower part of the Eastern Shore] is so remote from the mills and the Cash market that he is glad to get goods for his wheat, the merchant ships this off, and by that means lays in Cash to their mutual convenience. The Planter in these parts [Kent and Queen Anne's Counties] who has wheat can get money for it very conveniently" (Callister MSS., July 26, 1761).

[12] Archives, vol. vi, p. 177; [Hall], The Importance of the British Plantations in America, p. 97 (New York Public Library).

[13] William and Mary Quarterly, vol. xiv, p. 89.

[14] "The great plentie of Spanish Gold & Silver brought into New York, Pensilvania & Virginia, and the high Insurance has made a great demand for Bills of Exch[a]; so great that the Trading people from these Places offer Spanish Silver at 5/ the ounce. Your Lordship takes it at 5/3, these offer 45 P Cent Exch[a]. for Bills in Spanish Gold, you take Gold at about 41, so that the Gold & Silver that is in my hands & that I shal hereafter take, must be Remitted" (Calvert Papers, No. 2, p. 117).

of Maryland currency was made to conform to some extent to that of Pennsylvania.[15]

From Virginia, on the other hand, very little bullion could be drawn, for, having little West India trade, that colony also was seeking bullion, not exporting it, and even succeeded in drawing some coin from Maryland.[16] However, in certain parts of Maryland which were closely bound to Virginia either by position or by trade, eddies in the course of commerce brought in Virginia money. On the lower part of the Eastern Shore, for instance, Virginia paper was frequently found, and it is safe to conclude that the same causes that led to the importation of paper led also to the importation of bullion.[17] Yet indications are not wanting that even in these eddies of trade, bullion was carried out of Maryland as well as brought in.[18] On the whole, the drift of bullion was from the northern trading centers southward, and in this intercourse Maryland received at one side and paid out at the other.

Unfortunately for Maryland, her southern neighbors were not the only ones to whom money had to be paid. Every new country has to be made ready for the habitation of man, and the process of preparation necessitates an enormous amount of labor and capital, both of which must be drawn from longer settled communities. The new land offers opportunities for development and improvement far too vast for its own resources, and there follows a large importation of implements and supplies of all kinds, resulting in heavy debts which must be met by the exportation of money.

---

[15] See page 32.

[16] "Virginia has not money to lend, that Colony on the contrary is in extreme want of Cash & I am credibly informed that scarce a month passes but Virginians come to Maryland for Gold & Silver and leave their Bonds & Land Deeds in the Custody of His Ldps. Tenants" (Archives, vol. vi, p. 177).

[17] A Worcester County estate inventoried in 1763 contained 8s. sterling, 37s. 6d. Pennsylvania currency, 38s. 6d. Virginia currency, 32s. 5d. Maryland currency (Land Office, Inventories, No. 84, p. 83). Such notices are frequent.

[18] See, for instance, a note for £27. 17s. 8d. current money of Virginia, to be paid in Spanish whole gold, sued for in Somerset County (Court Records, Liber 1757–1760, p. 22).

No matter how much money is brought into a new land, it will all be sent off at once to purchase the material for further expansion and improvement. The entire American continent, especially the region covered by the tobacco colonies, was in this position during the formative period.

In Maryland this condition was especially acute. The northern colonists relieved the situation to some extent by manufacturing a good many articles for themselves, but the Maryland planters carried on very little household industry and imported almost every article they used. Slaves, farming implements, household goods, clothing—all were brought in by the English merchant, while tobacco and money had to be returned to pay the bill. We find, therefore, constant shipments of gold to England and great scarcity of gold and silver in the colony.[19]

The shipment of money to England is mentioned by many writers, and Englishmen generally were inclined to congratulate the mother-country on the wealth derived from this source. The author of The Importance of the British Plantations, published in 1731, after speaking of the movement of gold southward, continued: "This money by Circulation comes into the Hands of Store Keepers and Shop Keepers, who at the Departure of the Ships send it over here to *England* to purchase Goods."[20] Another author, writing about 1764, said that all the money brought in from the Spanish, French, and Dutch islands was remitted to Great Britain.[21] These shipments of course fluctuated with the exchange, depending upon the amount of money in the

[19] Governor Sharpe complained that the heavy imports drained off the money supply (Archives, vol. vi, p. 164).

[20] "From this Province [Pennsylvania], by Way of *Maryland* and *Virginia*, we have at least £10,000 a Year: Most of it comes from *Philadelphia* thus; The Masters of Ships in those Provinces are above all others under the Necessity of having Money for their Expenses for which they give their Bills, and these Bills are frequently negotiated at *Philadelphia*, by which Means the Money is drawn thence. This Money by Circulation comes into the Hands of Store Keepers and Shop Keepers, who at the Departure of the Ships send it over here to *England* to purchase goods" (p. 97).

[21] An Essay on the Trade of the Northern Colonies of Great Britain in North America, p. 8.

colonies and the value of the tobacco safely exported.[22] In times of war the shipments were usually not trusted to merchantmen, but were sent on board men-of-war.[23]

With a bullion supply naturally limited, with a slight outflow of money toward Virginia, and with an insatiable demand for English goods which must be paid for with coin, it is not surprising that Maryland suffered a severe dearth of money. As late as the beginning of the eighteenth century the use of coin was limited to "pocket-expenses," while tobacco served all larger trade purposes.[24] In 1754 Governor Sharpe found that there was enough gold and silver in the colony for the people to pay all taxes in that medium,[25] but it is presumable from that statement that there was not an abundant supply. At the time of the Stamp Act, Benedict Calvert wrote that he could not see where America was to get the money to pay the stamp duties.[26] Even in 1788 Brissot de Warville found the scarcity of small money inconvenient.[27] In the controversy over the method of paying the quit-rents the scarcity of money, especially sterling coin, and the difficulty in procuring it even in small sums are frequently recognized.[28] It is evident that this matter was one of the most prominent features in the economics of the colony.

At that time there were no banking facilities to substitute credit for coin, and every man had to hoard up sufficient

[22] See pages 42–46. W. Douglass, A Discourse Concerning the Currencies of the British Plantations in America, p. 24.

[23] Archives, vol. ix, p. 538; vol. xiv, p. 60.

[24] [J. Oldmixon], The British Empire in America, vol. i, p. 343.

[25] Archives, vol. vi, p. 85.

[26] Calvert Papers, No. 2, p. 261.

[27] New Travels in the United States of America, vol. i, p. 377.

[28] Lower House Journal, April 15, 19, 21, 1735. "The Discontinuance of that Method [of paying quit-rents] is attended with greater Difficulties and Inconveniences than could have been forseen; Which Difficulties Must Encrease in proportion to the Scarcity of Gold or Silver in the Country" (April 19). "But alass, they [quit-rents] Cannot be Collected, there is not money enough here to be got to make regular payments from time to time, so that your officers must take Corn, Wheat, Beef, Pork, Tobacco or some Commodity of the Country" (B. L. Calvert to Lord Baltimore, October 26, 1729, in Calvert Papers, No. 2, p. 72).

treasure to meet all expected liabilities. As this naturally meant that much money was idle, a given volume of business required a greater supply of currency than would be the case today. To meet the demands of trade it was often necessary to offer special inducements to attract specie payments. Advertisements at times limited the kinds of money that would be accepted,[29] and reductions were made for payments in cash. Henry Callister, in business on the Eastern Shore, on one occasion advertised a quantity of saddlery, payment for which would be accepted one half in goods and one half in money, and added, "I mean sterling specie (not bills) as gold or silver money or any foreign coins."[30] It was customary with this merchant to deduct ten per cent for payments of cash.[31]

The people of the time believed that the scarcity of money was responsible for much more serious disorders. They considered it the direct cause of the sluggishness of Maryland trade. Expression of this vague feeling is given in Sotweed Redivivus:—

> "It's Industry, and not a nauseous Weed,
> Must cloath the Naked, and the Hungry feed.
> Correct those Errors length of Time have made,
> Since the first Scheme of Government was laid
> In Maryland, for propagating Trade,
> Will never flourish, till we learn to sound
> Great-Britains Channel, and in Cash abound."[32]

The same idea appears in other connections,[33] and seems to have been prevalent among both colonists and merchants. There is, however, little foundation of truth underlying this feeling. Undoubtedly trade suffered some inconveniences from the scarcity of money, but commercial activity depends upon conditions much deeper than mere money

[29] Plantations were sometimes advertised for sterling money only (Maryland Gazette, November 18, 1747).

[30] Callister MSS., January 22, 1766.

[31] Ibid., August 27, 1761, and various other dates.

[32] Maryland Historical Society, Fund Publication, No. 36, p. 36.

[33] Advice of London merchants, in Maryland Gazette, April 15, 1729; Preamble to act for encouragement of importation of gold and silver; Bacon, 1729, ch. 15; preamble to paper money act of 1731, in Laws of Maryland, 1731, p. 5.

supply. Had the relative location of markets and productive forces been such as to invite the people of Maryland to engage in trade, a sufficient supply of money would have become very quickly available.

The greatest evil arising from the scarcity of bullion was the confusion produced by efforts to provide other monetary materials. From the very beginning the colonists found it necessary to carry on their transactions in some substitute for gold and silver. At first the money of the Indians was employed; but in Virginia and Maryland tobacco soon took the place of wampum; and by the middle of the eighteenth century, as has been said, there were no less than five separate monetary substances current in Maryland. Of course, even with a bountiful supply of gold and silver, bills of exchange would have continued to be drawn, but they would never have reached such wide currency had they not been needed as a substitute for bullion. Interminable difficulties arose from such a complex system.

The Maryland colonists tried to remedy the scarcity of gold and silver not only by providing other monetary expedients, but also by encouraging the importation of the precious metals. Sotweed suggested that tobacco buyers should be obliged to pay one sixth in currency or bills and the rest in goods.[34] In order to provide sterling money for the payment of quit-rents, the proposal was made in the legislature at one time that every incoming ship be required to exchange a certain amount of coin for its equivalent in paper money.[35] Neither of these suggestions was ever carried out, but a direct bounty on the importation of bullion was established. In 1729 it was enacted that every one liable for import or export duties who would pay in imported silver or gold should receive a rebate of fifteen per cent. An oath had to be taken, however, that the bullion had really been imported, and had not previously been exported for

[34] P. 44.
[35] Lower House Journal, May 6, 1736.

the purpose.[36] It is impossible to find any evidence indicating the amount of coin brought in by this act.

In general, the quantity of bullion in Maryland seems to have increased greatly between 1720 and 1765.[37] It is impossible, of course, to make a trustworthy estimate as to how much currency there was in the province at any given time, but there are more references to money in the later than in the earlier years. In 1708 there was little money in the colony other than the Dutch lion dollars, commonly called dog dollars.[38] By 1731 the amount of money in the province had increased so much that the legislature attempted to fix a legal value for a number of coins not before mentioned.[39] Exchange fluctuations make it clear that some coin was driven out of the country by the emission of paper money in 1733;[40] but it will be recalled that in 1744 Tasker spoke of the high exchange as caused by "the great plenty of Spanish Gold and Silver."[41] The Callister letters show that in the northern part of the Eastern Shore after about 1745 an appreciable amount of business was transacted on a money basis. The Charles Hammond ledger also shows that about 1764 at least one store in Annapolis was trading almost exclusively for coin.[42] This was certainly not true of

[36] Bacon, 1729, ch. 15.

[37] This statement seems true in spite of bitter complaints by Henry Callister of the scarcity of money. On December 17, 1764, he wrote: "there is no record since this province was called Maryland, of such a scarcity of money, whether real or imaginary, as at this juncture" (Callister MSS.). It is only in a community where money is in general use that such a complaint could originate.

[38] Bacon, 1708, ch. 4.

[39] Lower House Journal, August 25, 31, 1731.

[40] "The paper currency has already (tho not in circulation) raised the value of Bills of Exchange which is not doubted will reach to 40% or more" (Calvert Papers, MS., No. 295½, p. 66).

[41] See page 14, note 14. On the other hand, Francis Jerdone, of Virginia, wrote in 1754 that "the Gold and Silver which was current in the country a few years ago is now chiefly vanish'd" ("Letter Book of Francis Jerdone," in William and Mary Quarterly, vol. xi, p. 241). This is hard to explain. It may have been a temporary or a local condition, or else Jerdone's observation may have been in error.

[42] Charles Hammond ledger (Maryland Historical Society).

the business methods of earlier days.[43] Such an increase in the amount of gold and silver is exactly what one would expect to accompany the general economic changes taking place in the colony. Grain raising and the West India trade were increasing; consequently the means of procuring money were becoming more numerous. Moreover, as the country became more thickly settled and more completely developed, one would expect the economic dependence upon England to lessen. Though the latter movement cannot be detected, it must have been in progress. Hence, with its importation increased and its exportation diminished the supply of bullion on hand could not but have enlarged.

So varied were the sources from which Maryland drew her gold supply that coins of almost every nationality entered her ports; and because of the absence of a mint, all circulated in their native garb. A motley appearance, indeed, must have been presented by an ordinary colonial till.

First[44] among all the coins in circulation should be put the sterling money of England. The golden guineas, sovereigns, and half sovereigns, the silver crowns, half crowns, florins, shillings, and sixpences, and the copper pennies and half-pennies,—all these circulated in Maryland as in England. This kind of money, however, was scarce and in great demand. Certain dues, such as quit-rents and a few customs duties, were payable only in sterling, and although foreign gold and silver seems usually to have been accepted, all disputes as to exchange were avoided by having the British

[43] The numerous accounts which appear in court records during the earlier years of the century show payments almost exclusively in tobacco. So also do accounts from the more backward tobacco counties in the later years. Note the difference in force between the following quotations, the first written in 1714 and the second in 1765. "I have 6 head of cattle at John Morris which I desire the to sell to best Chapman that thou canst conveniently get for money if it be to be had or else for good tobacco" (Bozman Papers, Library of Congress). "There is hardly any currant money in Maryland. Cannot sell my land. Have advertised without receiving an offer" (Callister MSS., November 10, 1765). In the former the cash sale seems possible but exceptional; in the latter cash is generally used, and business is at a standstill without it.

[44] The coins from the proprietor's mint were so few as to be negligible.

coin.[45] In amount sterling was but a minor part of the circulating medium, the greater part of the gold and silver currency consisting of foreign coins,—Spanish, French, Portuguese, German, Dutch, and Arabian. As the Spanish-American provinces formed the chief source of the money supply, the Spanish pieces greatly predominated.

The most numerous and most important Spanish coin was the large silver dollar or piece of eight. No less than six varieties of this coin circulated in the colonies. The old Seville dollar and the Mexican dollar were equal in value, being estimated at the time[46] to be worth about 4s. 6d. sterling. The pillar dollar, so called from the Pillars of Hercules[47] represented upon the reverse, was worth about 4s. 6¾d. sterling. The cross dollar, a coin bearing a cross on the obverse, was worth about 4s. 4¾d. sterling. The large number of dollars issued by the mints of Peru were worth no more than 4s. 5d. sterling each, and the new Seville dollar fell in value to about 3s. 7¼d. sterling. Thus the extreme range of values among the various Spanish dollars was 11½d.[48]

In addition to these Spanish pieces there were three other

[45] "As it might perhaps be difficult for the Exporter of Tobacco & Importers of Rum etc. to get at all times sterling Money Liberty should be given them to pay the Duties either in sterling Money or foreign Coin rated so as to be equivalent to sterling as for Instance a Spanish Dollar at four shillings & six pence & other specie in similar proportion" (Archives, vol. xiv, p. 91). In the quit-rent disputes the complaint was sometimes made that collectors demanded sterling coin, or accepted foreign coin only at exorbitant rates (Lower House Journal, May 12, 1737).

[46] Except when otherwise noted, all values given here are according to the assay by Sir Isaac Newton. Though more accurate figures can be had today, it is thought best to give the older values, as it was in these terms that all calculations were made during the period with which we are dealing. Modern assays vary slightly from these values.

[47] In derision of the motto *nec plus ultra*, which ancient mythology had attached to the Pillars of Hercules, Charles V adopted as his motto *plus ultra*. The Pillars of Hercules with the latter motto appear on many Spanish-American coins.

[48] Negotiator's Magazine, pp. 345–346; 6 Anne, c. 30. The best study of the values of Spanish coins and the laws governing their issue is by W. G. Sumner, "The Spanish Dollar and the Colonial Shilling," in American Historical Review, vol. iii, p. 607.

coins circulating under the name dollar. The old rix dollars of several states of the Holy Roman Empire varied considerably in both weight and value, but they all passed in Maryland at 4s. 6d. sterling, as valued in the proclamation of Queen Anne. The second non-Spanish dollar was the spread-eagle dollar. It was not listed in the proclamation, but was current in Maryland during the early part of the eighteenth century.[49] Finally there was the lion dollar of Holland, commonly known in Maryland as the dog dollar. It was worth about 3s. 7d. sterling. The spread-eagle dollar and the dog dollar probably found their way to Maryland from New York and Delaware, both of which had inherited them from the period of Dutch supremacy. Whatever their source, in the early part of the eighteenth century dog dollars were almost the only coins in circulation.[50]

Fractional currency in general was always scarce in Maryland,[51] but a few quarters and eighths of dollars were to be found. The Spanish dollar is divided into 4 pesetas or 8 reals, and these pieces were occasionally found in Maryland. The peseta was commonly called a pistareen, and the real was usually known as a bit.[52] These coins were somewhat debased, but probably passed current when by tale as fractions of the dollar.

After the dollar the piece next in importance in the currency of Maryland was the Spanish pistole or doubloon.

---

[49] Upper House Journal, August 31, 1731.

[50] Bacon, 1708, ch. 4.

[51] "I sometime ago mentioned my Intention of striking a Parcel of small Notes, from SIX PENCE TO HALF A CROWN each, to serve as small Money in Exchange, for my own Convenience and that of my Neighbours, provided no better Scheme was concluded on by the Gentlemen in Business; and as the Want of such small Money is notorious, I have therefore ventured to Print a Number of such Notes, . . . any of which shall be paid off in Silver on Demand, and the whole Notes called in, in less than 3 Years from the Date . . . If either the Legislature, or any Society of Gentlemen, can or will contrive a sufficient Quantity of small Money that will more effectually answer the Purpose, I will instantly call in all mine" (Advertisement in Maryland Gazette, August 27, 1761).

[52] These coins are occasionally mentioned; for example, Somerset County, Court Records, Liber 1749–51, p. 19; Baltimore County, Inventories, Liber E No. 5, p. 407; Land Office, Inventories, No. 83, p. 284.

This was a gold coin worth, according to Newton, about 16s. 9.3d. sterling. While the pistole was occasionally called a doubloon, the latter name was usually reserved for the two pistole pieces, which were called double doubloons. These large gold coins formed a convenient medium in which to import large sums, and consequently were among the most numerous and most useful coins of the colony.

Next, perhaps, in importance to the Spanish coins were those of Portugal. The johannas rivaled the pistole in numbers and usefulness, and was the most valuable coin in use in Maryland. It was a large gold coin of the value of 35s. 11.98d. sterling. There was a half johannas of about half the weight and value. The moidore, a gold coin valued at 26s. 10.4d. sterling, was also much used. The Portuguese silver crusado was also listed in the proclamation of Queen Anne; it was worth 2s. 10d. sterling. This coin may have circulated in Maryland; but it is omitted from the list of coins in the act of 1753,[53] and I have never seen one mentioned in colonial accounts.

There were three French coins in common use. The new louis d'or, popularly known as the French guinea, was valued at 20s. ½d. sterling. A coin generally known as a French pistole seems to have been the old French louis of the value of 16s. 9.3d. sterling. Both of these were gold coins. The one French silver coin in general use was the écu, commonly called the French crown or the silver louis. This coin was valued at 4s. 6d. sterling.

Next to the coins mentioned above, the caroline, a gold coin of several German states and of varying values, was, perhaps, in most frequent use. The Bavarian caroline was worth about 20s. 4d. sterling,[54] and those of other states did not vary much from this value. The ducatoon of Flanders, valued at 5s. 6d. sterling, and the three guilder piece of Holland, valued at 5s. 2¼d. sterling, are also mentioned in the proclamation of Queen Anne, though they

[53] Acts of 1753, p. 43.
[54] P. Kelly, The Universal Cambist and Commercial Instructor, vol. ii, p. 160.

seldom appear among the records of the province. A so-called "Arabian chequin" is often included in lists of coins,[55] and other pieces undoubtedly circulated in smaller quantities. In fact, acts regulating the coinage seldom fail to include a blanket clause providing for all other foreign gold and silver coins not enumerated.

The variety of coins in circulation would alone have been a source of considerable complexity, but still greater confusion was caused by the condition into which these coins had fallen. The lack of a mint made it necessary for coins to circulate year after year without any repairs and in the original form in which they had entered the colony. This was in part responsible for the great variety of coins in circulation. At the present day a cargo of foreign coin would be taken at once to the mint and fitted out in the national garb before entering circulation. Moreover, a battered or clipped coin today would quickly be withdrawn and restruck. It was not so in the colonial period. All the wear and tear, the battering, clipping, and cutting accumulated from year to year until, finally, the coins looked almost like misshapen, unstamped lumps of gold or silver.

Much of the bad condition of the coinage was due to natural wear and tear, but not all of it. The obtaining of a fractional coinage was also a factor. The scarcity of small change has already been noticed; and under these conditions the people were compelled to create a fractional currency by cutting the larger coins into several parts.[56] It was a common thing for a man in need of a quarter of a dollar to take out a whole dollar and cut off a quarter of it. A great part of the defacement of the coinage, of course, was the result of fraud. From time immemorial a thriving business has been carried on in sweating and clipping. As the coinage fell deeper and deeper into disorder, the opportuni-

[55] Acts of 1753, p. 43; Lower House Journal, November 9, 1763.

[56] Brissot de Warville, vol. i, p. 377. A great part of the money in the province "is cut into small pieces for the convenience of change" (Calvert Papers, MS., No. 278). So necessary was this that the act against clipping was repealed in order to permit a fractional currency to be made in that way (Bacon, 1729, ch. 2).

ties for this became greater. Brissot de Warville described one of the tricks common in his day: "A person cuts a dollar into three pieces, keeps the middle piece, and passes the other two for half dollars. The person who receives these without weighing, loses the difference, and the one who takes them by weight, makes a fraudulent profit by giving them again at their pretended value; and so the cheat goes around."[57] Another form of fraud was the ubiquitous deliberate forgery. With the coinage in such disorder, counterfeiting was the simplest of trades, and there is no means of telling how many lumps of lead were washed over with gold and passed at bullion value.[58] In 1754 there were complaints of an inundation of counterfeit copper pennies and halfpence. It is said that they became so numerous in New York that bills were paid with wheelbarrows.[59]

At first an effort was made to prevent all tampering with coins. In 1707 it was discovered that there was no law to prevent counterfeiting, clipping, or otherwise misusing foreign coins, and an act was passed providing that offenders be whipped, pilloried, and, finally, branded and banished.[60] The currency at this time was not in a state of confusion at all comparable to that of a later period; coins were still passing by tale, and money scales were almost unknown in the province.[61] Conditions were ripe, however, for an increase in the disorder, of which the passage of the law itself may be taken as an indication.

Soon after this the increasing supply of Spanish and other foreign money began to be felt; coin came into more general use; and in spite of the law the shears became more

[57] Vol. i, p. 377.

[58] The American Weekly Mercury says that a man broke Dorchester gaol, who was a "manifest utterer of Counterfeit Gold Bars" (August 26, 1725). "Great frauds have been discovered by passing bits of Brass etc. for gold, whereby very cautious people have been much imposed upon" (Calvert Papers, MS., No. 295½, p. 66).

[59] Maryland Gazette, February 28, 1754.

[60] Bacon, 1707, ch. 4.

[61] Ibid., 1708, ch. 4.

active. Within the next twenty years so many pieces were debased that gold and silver ceased to pass by tale, and came to be transferred largely by weight. So pressing was the need of fractional coinage and so general the practice of cutting up larger pieces to produce it that in 1729 the legislature removed all restrictions on the cutting of foreign coins.[62] About this time money scales begin to make their appearance in the inventories, and from then until the end of the colonial period they are commonly mentioned. Many coins, of course, continued to pass by tale, especially as the new coins brought in were usually of the better sort. But it was not unusual for each coin to be weighed; and very frequently in payments there would be a number of broken coins, or even mere lumps of metal, all of which would go by weight.[63] Many entries make no reference to money, but merely speak of so many pennyweight or ounces of gold or silver worth so many shillings.[64]

Although cut gold and silver was unavoidable in colonial dealings, yet it seems always to have been shunned. There was frequently a careful distinction made between cut gold and whole gold. Notes and other contracts often specified that they should be paid in whole gold,[65] and cut gold was sometimes discriminated against by accepting it only at a reduced value.[66] In 1737 Lord Baltimore instructed his receivers to accept no cut gold or silver at all.[67]

---

[62] Upper House Journal, July 15, 1729.

[63] Silver plate when inventoried was in no way distinguished from broken silver except in the name.

[64] Examples may be found in any volume of inventories for this period. Sotweed Redivivus makes a reference to clipping. He suggests (p. 40) that the legislature pass an act

> "That Copper Money, Tin, or Brass,
> Throughout America should pass:
> Which Coin shou'd the King's Image bear;
> In equal Worth be ev'ry where:
> Not subject to be clipt by Shears,
> Like Yellow-Boys, have lost their Ears;
> But as a Free-born Subject range,
> Of different Size, for ready Change."

[65] Somerset County, Court Records, November Court, 1735, Liber X A No. Y, p. 109.

[66] Lower House Journal, May 12, 1737.

[67] Calvert Papers, MS., No. 295½, p. 29.

When the current money was mostly in unfamiliar coins and denominations, and all so clipped and cut that scales were needed to determine its value, it was to be expected that many difficulties would arise concerning the standards. There is evident throughout the colonial period a tendency to overvalue the coinage in general use and then to enact a series of standards of value legalizing the popular valuations. The following is the best theory I can suggest to explain this peculiar phenomenon.

The colonists were accustomed to the sterling denominations of pounds, shillings, and pence, and always employed them as standards of value. The money that they actually handled, however, was in dollars, crowns, pistoles, and so on. Nothing short of an assay could determine the exact value of the one in terms of the other. These conditions gave rise to a peculiar situation. A merchant setting his prices found it just as easy to vary the rate at which he would accept money as to vary the prices at which he would dispose of his goods. In order to attract the much needed specie, therefore, it was simpler to allow an excess valuation to the dollar than it was to allow a discount on his prices. For example, a dollar worth four shillings sixpence sterling might be received by a merchant under the pressure of competition at six shillings. In fact, it was customary in many places to determine the price of goods entirely by their cost in England, and competition took place only in the allowances to be made for tobacco and coin received in exchange. Thus there was a constant tendency to receive coin at rates above its intrinsic value. At first this would result in a decided reduction in the price of goods, since four and a half shillings worth of silver in a dollar purchased six shillings worth of goods. When, however, all the merchants of a community had met the competition, a customary value had been set for foreign coin, and dealers marked up their goods in accordance with the advance in the valuation of the dollar. When this was accomplished, a new standard of value had been created. The word shilling no longer meant

the value of the same amount of silver as formerly, but it meant the value of a smaller amount. Of course the sterling meaning of shilling had not been entirely discarded, so the word in reality had two meanings—the old valuation and the new. Persons who were completing a transaction in shillings would have to understand which meaning of the word was intended. In fact, a merchant had two prices for every article, one price in the old shillings and a corresponding price in the new. In either case he contemplated receiving the same number of dollars. The assembly, acting under the impression that coin could be attracted into a colony by overvaluing it, was ever ready to accept and legalize a high rate that had been established by custom, thus hardening a popular custom into statute law. This process might be gone through a number of times, each time resulting in a new standard of value and a new statute legalizing that standard. If this be the proper explanation of the phenomenon, it will be observed that such a procedure is possible only in a community where the money is not in the same denominations as the standard of value used by the greater number of the people.

By some such process the currency had by the close of the eighteenth century been brought into great disorder.[68] Maryland seems to have been the first colony to complain of this situation;[69] and upon the advice of the Board of Trade, Queen Anne in 1704 issued a proclamation giving the sterling values of eleven of the more common silver coins,

[68] Douglass, A Discourse Concerning the Currencies of the British Plantations in America, p. 7. For a different theory see W. Z. Ripley, "The Financial History of Virginia, 1609–1776," in Columbia Studies, vol. iv, pp. 135–144.

[69] "And hence sprung such Confusions in Dealings, that one of the Provinces more injured than the rest, FIRST complain'd of the Evil; and that was *Maryland*. This Complaint was transmitted by Col. *Blakiston* Governor of that Province, at the Request of the Assembly, to the Board of Trade; Representing that the advancing the Rates of Coin in the Plantations, especially in *Pennsylvania*, was the occasion of draining the Money from *Maryland*. Whereupon the Lords of Trade took the matter up, and reported to the late Queen *Anne* the indirect Practices occasion'd thereby" (Publications of Prince Society, Colonial Currency Reprints, vol. iv, pp. 140, 141).

and commanding that after January, 1705, no foreign silver should be circulated at any rate exceeding an overvaluation of 33⅓ per cent. Thus a Mexican dollar, which was worth intrinsically 4s. 6d. sterling, should not pass for more than 6 shillings; and foreign silver of the value of £100 sterling should not pass at above £133. 6s. 8d. In 1707 the provisions of this proclamation were enacted by Parliament into statute law.

The result of this regulation was not, as has sometimes been supposed, to cause foreign silver to circulate at rates above its value. No act of Parliament could do that. But the result was to create a new standard of value—a new pound as distinct from the ordinary pound sterling as was the penny from the sou. Prices adjusted themselves to the standard,[70] and whenever it became necessary to compute the value of English sterling coins in terms of the new pound, they were always increased in valuation at the ratio of 100 to 133⅓. From this time on the colonists had to be careful in which standard they were reckoning, whether in the pound sterling or in the pound currency. In general, all accounts between persons within the province and all provincial government accounts were kept in currency, while foreign accounts—especially accounts with English merchants—proprietary accounts, and accounts with the English government were kept in sterling.

The proclamation and the succeeding act touched only upon foreign silver coins.[71] Foreign gold coins continued to circulate without any legal regulation. Custom soon adjusted them to the new standard, however, at slightly above their intrinsic value. A pistole, the intrinsic value of which according to Newton's assay was 16s. 9.3d. sterling, or 22s. 4.4d. currency, passed at 23s. 10d. currency.[72] At the same

[70] Chancery Record, Liber J R No. 4, pp. 258–259.

[71] The coin in most frequent use was the Dutch lion or dog dollar. This was not included in the proclamation, and was accordingly supposed to pass by weight. The legislature in 1708, however, set its value at 4s. 6d. (Bacon, 1708, ch. 4).

[72] Land Office, Inventories, No. 4, p. 292; No. 6, p. 159; No. 83, p. 345; No. 86, p. 282; Court Records, Provincial Court, Liber R B No. 2, p. 314; Charles County, Court Records, November, 1735,

time gold bullion, which was worth roughly 5s. 2d. currency per pennyweight, was passing at 5s. 6d. currency,[73] and silver, though fluctuating, tended strongly to settle at the rate of 6s. 8d. currency per ounce troy.[74] In 1731 and again in 1750 the legislature undertook to establish fixed rates for coins not mentioned in the proclamation, but neither bill became law.[75]

The currency continued in the condition in which it was placed by the proclamation until about 1733. In that year £90,000 currency in paper bills was issued under the condition that one third of it should be paid off and canceled in 1748, and the other two thirds in 1764.[76] This was the first paper money of Maryland. These bills were issued in the denominations of the pound currency, and not the pound sterling. Thus, when paper was at par, £133. 6s. 8d. in paper was equal to only £100 sterling.

The term currency, which had heretofore been employed to designate the standard created by the proclamation, was now applied by law to the new paper money. While paper was at par, the pound currency when paid in paper was the same as the pound currency when paid in gold or silver; both were equal to 13s. 4d. sterling. As paper depreciated, these values became widely different; and since all currency debts were by law payable in paper, the term currency clung

Liber T No. 2, p. 109; November, 1727, Liber Q, p. 48; Cecil County, Court Records, August, 1723, Liber S K No. 3, p. 24; March, 1724, Liber S K No. 3, p. 204; Somerset County, Court Records, August, 1732, Liber F L No. D, p. 241; November, 1749, Liber 1749–1751, p. 29.

[73] Land Office, Chancery Record, Liber J R No. 2, p. 538; Land Office, Inventories, No. 8, p. 281; No. 9, p. 227; No. 17, pp. 82, 213; No. 85, p. 138. Governor Ogle stated in 1740 that "gold passes at 5^{s} 10^{d} the ounce by custom only." Granting that he was confusing ounce and pennyweight, his statement is still several pence wide of other statements (Board of Trade, Proprieties, vol. xv (Public Record Office, C. O. 323: 13), T 35).

[74] Land Office, Inventories, No. 4, pp. 155, 248; No. 6, p. 223; No. 7, p. 226; No. 8, pp. 22, 75; No. 9, p. 35; No. 12, pp. 166, 410; No. 17, p. 151.

[75] Upper House Journal, July 17, August 30, 31, 1731; Lower House Journal, August 30, 31, 1731; May 30, 1750.

[76] Bacon, 1733, ch. 6; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 323: 12), T 23.

to the paper money instead of to the gold and silver. A new term was necessary to designate the old currency standard, and the term proclamation money or merely the words gold and silver soon came into use for this purpose. From this time on there were three distinct standards of value in the colony, and a person concluding a contract for a certain number of pounds or shillings had to specify clearly whether it was the pound sterling, the pound gold and silver, or the pound currency in which he was dealing.

After the changes due to the issue of paper had adjusted themselves, a tendency toward greater harmony between the standards of Maryland and Pennsylvania became manifest. In the latter colony a rate had been established for gold and silver one fourth cheaper than the proclamation rate, or 166⅔ Pennsylvania currency to 100 sterling.[77] The intimate commercial relations between the two colonies were already tending to popularize this standard in Maryland[78] when the legislature saw an opportunity to make use of it as a weapon in a quarrel of long standing. Public officials in Maryland were remunerated almost exclusively by the fees arising from their offices. These fees had long been paid in tobacco, and the right to determine the amount of each was one of the most cherished prerogatives of the proprietor. This prerogative was being assailed by the legislature. Every act that tended to raise the value of tobacco was made an excuse for scaling down the fees in proportion to the expected rise in price. In 1747, for the benefit of those who did not raise tobacco, paper money was made payable for all fees and other public payments at the rate of ten shillings for every hundred pounds of tobacco. But in 1753 paper was scarce, and it was thought advisable to make these fees payable also in coin, for which purpose a table of coins was inserted with the rate at which each coin should pass for paper money. At this time paper money

[77] H. Phillips, Historical Sketches of the Paper Currency of the American Colonies, first series, vol. i, p. 26.

[78] Library of Congress, MSS., Firm Accounts, Maryland and Virginia, Ledger, 1753, p. 103, quoted on page 36.

was passing at about 152 currency for 100 sterling;[79] and in order to reduce officers' fees in an unobtrusive manner the legislature adopted for their table the cheaper Pennsylvania standard of 166⅔ to 100 sterling, and determined the value of each coin in paper at that rate.

Although this valuation of the currency applied legally only to fees and other public dues, yet it was soon adopted by many business men and became widely used.[80] According to the new standard, which was generally called common or running money, the Spanish dollar was valued at 7s. 6d. In proclamation money this coin was worth 6 shillings and in sterling 4s. 6d. Other coins were very roughly put at proportionate values,[81] so that reductions from one standard to another were always made at the rate of £100 sterling to £133⅓ proclamation money to £166⅔ common currency.[82] From 1754 to the Revolution common currency was one of the most widely used standards of value.

With the addition of common currency Maryland had three distinct standards of value for the precious metals. It must be kept clearly in mind that the different standards made no change in the actual value of any given gold or

[79] Archives, vol. vi, p. 85.

[80] Lower House Journal, November 8, 1763.

[81] The coin list is as follows:—

	£.	s.	d.
English guineas	1	14	0
French guineas	1	13	6
Moidores	2	3	6
Johannases	5	15	0
Half johannases	2	17	6
French milled pistoles	1	6	6
Spanish pistoles not lighter than 4 dwt. 6 gr.	1	7	0
Arabian chequins		13	6
Other gold (except German) per dwt.		6	3
French silver crowns		7	6
Spanish milled pieces of eight		7	6
Other good coined Spanish silver per ounce		8	6

—Acts of 1753, p. 43.

Objections were raised to passing the bill because it appeared to conflict with the proclamation act of 6 Anne (Archives, vol. vi, pp. 46, 131).

[82] E. Vallette, Deputy Commissary's Guide within the Province of Maryland, p. 52; Land Office, Inventories, No. 85, 151; No. 86, p. 212.

silver coin.[83] The thing that varied was the meaning of the words pounds, shillings, and pence. If the value of a Spanish dollar or an "Arabian chequin" was to be translated into terms of shillings, it would have to be determined whether the shilling sterling, the shilling proclamation, or the shilling common was meant before it could be settled how many shillings were equal to the dollar or "chequin." The same amount of goods could be bought whether the dollar were called 7s. 6d. common money, or 4s. 6d. sterling.

Confusion in these standards was inevitable, the whole system consisting of approximations rather than of accurate values. To reduce foreign coins accurately to sterling or currency values required the use of fractions which would have been impossible to handle in general circulation. The proclamation of Queen Anne provided five different values for dollars of various mintage. Only one of these values was without a fraction of a penny in currency, and only one other without a fraction of a farthing. Between the lowest and the highest there was a difference of 1s. 2⅓d. currency. In general trade, however, all dollars passed at the highest value assigned by the proclamation. The values assigned by custom to those coins not mentioned in the proclamation varied still more widely from their intrinsic worth, and much irregularity prevailed in the values at which those pieces passed.[84] Transactions were often accompanied by as much haggling over the value of the money as over the value of

[83] Secretary Calvert failed to realize this fact when he feared that the new valuation would result in an unjust profit for those who lent or paid in coin at the new rates. As long as transactions all remained in the same standard, evidently nobody could lose; and wherever calculations were shifted from one standard to another, the proper percentage was added to or taken from the sum in order to retain an equality in value (Archives, vol. vi, pp. 45, 85, 131, 170, 177).

[84] The goods of William Card, of Worcester County, were appraised "In pistoles at twenty seven shillings & six pence Each,"—evidently a mistake for twenty-seven shillings each (Land Office, Inventories, No. 86, p. 332). Another set of appraisers avoided all possibility of mistake by putting below their enumeration of coins, "N. B. the Dollars, Guineas & Double Loons above not valued" (Land Office, Inventories, No. 86, p. 196).

the goods.[85] The supreme case of irregularity is in the act of 1753. Although the legislature apparently intended in that act to set the standard at the rate of 166⅔ to 100 sterling,[86] only the two silver pieces really bear that relation. The gold pieces range between 158 to 100 for the French pistole and 169¼ to 100 for the French guinea. When the legal values of coins varied so widely, it is not surprising that in private exchanges even the legal values were not always adhered to.

Another difficulty in the monetary system was in reductions from one standard to another. Theoretically it seems simple enough to exchange from sterling to currency by adding a third, or the reverse by subtracting a fourth, and from proclamation currency to common currency by adding a fourth. But in practice the uneducated planter had trouble with this process; and frequently exchanges are found carried out in round figures near the proper amount,[87] and sometimes entirely improper ratios are employed.[88]

Aside from such errors as might be attributed to a lack of mathematical ability, complete confusion resulted at times from complicating the standards. In 1739 it was reported to the legislature that "the Accounts of Col. Samuel Young, late Treasurer of the Western Shore are so complicated, Viz. the Sterling with the Current Duties, and the different Exchanges Currency for Sterling, that it will take a great deal of Time and Deliberation, more than can be conveniently spared in Assembly Time, to state the several Sums annually raised for the Uses aforsaid."[89] Occasionally disputes as to monetary standards found their way into the

[85] Lower House Journal, May 12, 1737; June 16, 1749.

[86] It is possible that the legislature, having no idea of establishing a new standard, paid little attention to proportions.

[87] Chancery Record, Liber JR No. 5, p. 761; Land Office, Inventories, No. 17, p. 466.

[88] Chancery Record, Liber JR No. 2, p. 521; Somerset County, Court Records, Liber 1751–1752, p. 184. It is possible that in the latter case sterling bills are meant and that the exchange ratio includes also the premium on foreign exchange.

[89] Lower House Journal, June 9, 1739.

courts.[90] Henry Callister had several controversies over various questions of currency. On one occasion he wrote: "I said Currency; which does not imply Maryland money, of which there is hardly any current—I think I was yet more particular; for I spoke of money & Exchange as Curr^{t}. in Pennsylvania, which is our current money at present."[91] At another time a neighboring merchant seems to have become sadly confused over the relations of currency, sterling, and bills of exchange.[92] The following entry in the ledger of a Bladensburg merchant is eloquent of the difficulties he was experiencing: "By Money lost by receiving Sterling Cash @ 65 p^{r} Cent Curry (as appears from p^{cs} of 8 pass^{g}. @ 7/6 Curry and pistoles @ 27/) for Goods, which I was oblidged to pass to Customers in Sterling; Exchange @ 50 p^{r} Cent."[93]

Recapitulating, the one point that stands out most clearly concerning the gold and silver currency of colonial Maryland is its scarcity. Though metallic money increased in amount as the eighteenth century progressed, it was never adequate

[90] "These defendants also say that the Complainants have in their said bill claimed Maryland Current Money yet they believe the Complainant Joseph Watkins himself was well conscious that the said Balance of the Account passed in the Commissary's Office was only common Money for that the Complainant Joseph Watkins hath received of the said Robert Swan in Parts of the said Legacy Pennsylvania Money at fifteen Per Cent difference and also Securitys Payable in Sterling at one hundred and fifty and one hundred and fifty-five Per Cent Exchange" (Chancery Record, Liber DD No. 2, p. 237). See also Chancery Record, Liber DD No. 1, p. 352; Liber JR No. 3, p. 110.

[91] Callister MSS., about 1761/2. Both date and address are missing.

[92] Ibid., August 24, September 6, 14, 1762. Callister finally delivered the following summary: "I know four ways in practice of reducing sterling to Currency, or rather of paying a Sterling account of cost. the first is in British Specie; the second in bills of exchange; the third in a Currency according to rate of Exchange equivalent to such bills; fourth in foreign silver & gold as also in Guinneas according to a value set by act of Assembly, and then render'd Sterling by the rule of Exchange as if they were paper" (ibid., 1765). Again he wrote: "I presume you don't think 7/6 equivalent to 5/ Stg. while the exchange is @ 70 in the specie as now current, unless you pay Maryland paper. If you pay sterling Money its' well, on Dollars at 4/6" (ibid., December 14, 1760).

[93] Library of Congress, MSS., Firm Accounts, Maryland and Virginia, Ledger, 1753, p. 103.

to the needs of trade. What metal currency there was consisted mainly of foreign coins, a great many of which were so clipped and cut that they circulated mostly by weight. The uncertainty as to the value of these foreign coins led to the proclamation of Queen Anne and to the establishment of a new standard of value one third lower than the pound sterling. At the suggestion of Pennsylvania and by an almost accidental provision by the legislature in 1753, a third standard of value two thirds cheaper than the pound sterling became popularized. Because of the difficulties in dealing with so many coinages, wide inaccuracies in the valuation of money and serious confusion in the keeping of accounts are found. During the period under discussion the only advance made toward the solution of the coinage troubles was the gradual increase in the amount of circulating coin. In all other ways the confusion was constantly growing greater.

CHAPTER II

Bills of Exchange

A bill of exchange in colonial times was the familiar instrument known in the middle ages as well as the present as an order on some person to pay money to a third party. Its use was extensive, and owing to the uncertainties of travel it was never executed singly, but always in sets of three or four. Each copy carried full liability provided neither of the other copies had first been honored, but the payment of any one copy canceled the others. Each of the copies would be transmitted abroad by a different route, and thus the chances of the loss of all were very slight.

Protests were frequent. The common procedure in such cases was for the payee to return the protested bill to Maryland for collection from the drawer. Payment was forced by a suit in the county courts. If the bill was returned within four years, it was granted an equal position with specialties having a legal preference over other kinds of debts. In colonial times commercial law held that in any case of broken contract the party at fault was liable not only for the sums mentioned in the contract, but also for damages to the offended party for the inconvenience sustained. Thus a note would usually be drawn for the payment of a certain sum on a certain day under penalty of the forfeiture of an additional specified sum in case the note was not met when due. The bill of exchange almost invariably carried a similar provision. In the code of 1715 an act was included limiting the damages that might be so collected to twenty per cent of the face of the bill and costs.[1]

Except for the slight initial difficulty in drawing up a set of bills to meet these conditions, the bill of exchange was

[1] Bacon, 1715, ch. 7.

not a difficult instrument to use. It was safely portable; and though not divisible, it could easily be endorsed to a third party. Moreover, the needs of the foreign trade were such that bills on England were always in great demand. Another advantage enjoyed by the bill of exchange over most other forms of money was that it was drawn in the familiar sterling standard, and no calculations were necessary to make its value evident to the dullest planter.

These instruments were very numerous, primarily because of the fact that foreign commerce constituted an enormous proportion of the total trade of the colony and bills of exchange were the regular money in foreign transactions. A large part of the agricultural product of Maryland was shipped to England or the West Indies, and most of the manufactured goods used in the province were imported from England. A shipment either way created a credit that might be settled by a bill of exchange. The lack of banking facilities excluded the possibility of gathering these credits into blocks and having a special class of financiers make transfers in large sums. Each planter drew his own bill and negotiated it as best he could.

It is evident that the greatest use of bills of exchange was in transactions between Maryland and England. In these the course of bills was always from Maryland to England. Although imports from the mother-country created conditions in which bills might properly be drawn on Maryland, yet the trade custom was to settle accounts by the Marylanders' drawing on England. By this means it came about that the English merchant performed many of the functions of a banker. When the planter shipped his crop to a London merchant, it was almost equivalent to making a deposit in bank.[2] His purchases during the year might be made from the same merchant who received the tobacco,

[2] A still more direct form of deposit is seen in the order of the legislature that Mrs. Ungle lodge in the hands of Mr. Hunt, merchant in London, £381. 18s. 10d. sterling, in order to prevent suit being entered against her husband's bond (Lower House Journal, June 13, 1730).

from some other English merchant, from some merchant in Philadelphia, or from a local store. In any case except the first, a bill of exchange on the tobacco consignee would perform the function of a check. Moreover, any balance from the tobacco crop left undrawn by the planter would not be transmitted to Maryland, but would be held on deposit by the merchant.

At times large credits were accumulated in this way, and when this occurred the merchant might perform still another function of the banker. At the planter's direction he would invest the money in bank-stock or other securities, and either transmit them to Maryland or hold them at the order of his client.[3] If there was a deficit instead of a balance from the tobacco shipment, the merchant acted again like a modern banker. If the shipper was unknown to the merchant or if his credit was not good, the excess bill would simply be returned protested like a check without funds. If the shipper was a man of established credit and known to the merchant, the bill would be honored and the balance charged to the planter's account exactly as an overdraft is sometimes treated by a bank. This overdrawing was often done with full knowledge by both planter and merchant, and constituted a loan.[4]

Besides the English trade, bills of exchange found a field of usefulness in commerce between the colonies. The West India trade, however, was carried on almost exclusively by

[3] Letter from "Maryland Planter," in Maryland Gazette, May 12, 1747. An example of this on a large scale is seen in the management of the paper-money issue. The provincial government used London merchants as bankers of deposit. Bills of exchange that were paid toward public dues were sent to William Hunt, a London merchant, for collection and deposit. When money was needed, bills were drawn against the funds accumulated in Hunt's hands (Upper House Journal, October 30, 1727; Lower House Journal, April 22, 1735).

[4] "We admire thou should draw such a large bill these times and know thyself in debt" (Daniel Maude to Ruth Richardson, in Bozman Papers, November 30, 1723). See also letter to John Hanbury, in Bozman Papers, September 1, 1727; Ridgely Papers (now in the possession of Mrs. John Ridgely of Hampton), September 28, 1764; ibid., Russell to Ridgely, 1766; ibid., March 23, 1767; Callister MSS., May 9, 1763.

merchants who exchanged between themselves the various articles of commerce and were therefore able to settle many debts by merely balancing accounts. Under these circumstances bills of exchange, though occasionally useful, did not play such an important part as they did in London trade. Bills passed in both directions between Maryland and the West Indies, and in many cases exchange drawn on London was used to settle these provincial debts.[5]

Between Maryland and the continental colonies the situation was somewhat different. With the southern colonies there was little trade and consequently little occasion for money of any kind, but with New York, Boston, and especially Philadelphia, commerce was rapidly growing, and in transactions with these colonies bills were frequently used. The northern merchants imported heavily from Great Britain, but had few crops to export thither. Instead of making all payments by shipments of cash, they found it much more convenient to save freight and insurance by procuring from the South bills of exchange on London and sending these to their British creditors.[6] For this purpose, in some cases, cargoes were shipped from Philadelphia and sold in Maryland for bills of exchange. In other cases the bills were procured more directly but less profitably by having an agent in Maryland or Virginia buy them up for cash. This drift northward of bills of exchange is the most marked characteristic of their use in intercolonial trade.[7]

[5] Letter to John Stevenson, February 16, 1762, in Clark Letter-book (Pennsylvania Historical Society); Samuel Salmon to George Robins, June 10, 1738, in Bozman Papers.

[6] Board of Trade, Proprieties, vol. xi (Public Record Office, 323; 9), R–42; [Hall], The Importance of the British Plantations in America, p. 97; Clark Letter-book, pp. 26, 55; Fishborn to Richardson, 18th, 5 mo, 1717, in Bozman Papers.

[7] "To Bills of Exchange for the above five Bills sent by you to Philadelphia to sell £600 [sterling] which sold there for £960.. 6.. 7½ Curry. Clear of Expenses" (Library of Congress, Firm Accounts, Maryland and Virginia, Journal, 1766, September 25). "Curry" here means that £166⅔ currency equals £100 sterling; therefore, unless the expenses were very heavy, exchange must have been much below par. Notice a peculiar reversal of ordinary conditions shown in the letter of a merchant from Baltimore: "There are bills now in Town from Philadelphia selling for 60 PCt." (Taylor to Jamieson, in Jamieson Papers, vol. vi, no. 1252, Library of Congress).

Within the colony the use of bills of exchange was much more extensive than is the case in a modern business community. The great number of bills drawn would in itself have given them an important place in colonial currency, but their convenience rendered them still more useful and important. Bills, consequently, passed freely from hand to hand, and satisfied many purely local debts before being transmitted to London for collection.[8] It was a common thing for a person collecting debts to request that they be paid in bills of exchange.[9] To this extent these instruments became a part of the circulating medium of the colony.

Being useful within the colony, salable to northern merchants, and almost indispensable for payments to England, bills of exchange were usually in great demand in Maryland. It has already been said that persons at times tried to collect from their debtors in bills. The Maryland Gazette frequently published advertisements of those who wished to exchange money for bills.[10] At the court sessions those in search of bills would meet and deal with the planters who were in a position to draw.[11] Some merchants seem to have acted as bill brokers, as they advertised that they would both buy and sell bills.[12]

Such an active demand naturally led to a premium on the price, and exchange generally stood above par.[13] Fluctua-

[8] Henry Callister mentioned payment by bills as one of the four regular ways in practice of settling sterling debts (Callister MSS., 1765). The receivers of quit-rents also contemplated payments in bills (Lower House Journal, May 12, 1737).

[9] A farm is advertised in the Maryland Gazette for sterling money only. This cannot but mean bills, as it would have been almost impossible to get together a large sum of sterling coin (November 18, 1747). Callister at times requested payments in bills, and at other times insisted on payments in cash and not in bills (Callister MSS., June 12, 1759; January 5, 22, 1766).

[10] May 24, 1745; May 18, 1748; May 30, 1754; May 28, June 18, 1761.

[11] An example from Virginia will in all probability hold for Maryland; see William and Mary Quarterly, vol. xi, p. 155.

[12] Maryland Gazette, October 4, 1759; January 1, 1761.

[13] The loose way in which the words sterling and exchange were often used in Maryland makes the consideration of the subject of the premium on bills of exchange peculiarly difficult. Sterling had no less than three meanings. It usually denoted

tions occurred whenever anything affected the tobacco shipments. In years of poor harvest few credits would be created in London and bills would be scarce and high, but during years of good crops exchange would at times fall below par. In war times, in particular, the heavy damage inflicted by privateers caused the number of bills to be diminished and also caused the insurance rates on coin shipments to rise. At such times exchange rates rose to great heights. Jones, writing of Virginia about 1720, said that "for the Generality 10 per cent Discount is allowed for Sterling Bills."[14] The wording of the statement, however, shows that he had in mind storekeepers' abatement on accounts, which was probably higher than the regular premium on bills of exchange. Benedict Calvert said in 1720 that the Philadelphians were frequently obliged to give as much as eight or ten per cent premium for bills.[15] This remark leaves one with the impression that he also was stating the maximum. About this time the provincial government seems to have been selling bills at a loss of four or five per

merely the English standard of value. Besides this, it was also used to mean English coin; and, finally, it was clearly used at times to mean bills of exchange. Thus, the expression £10 sterling does not make clear whether the sum mentioned is ten English sovereigns, an amount of foreign money equivalent in value to ten English sovereigns, or a bill of exchange for ten sovereigns in England; the latter, of course, would be worth more or less than ten sovereigns according to the premium on foreign exchange. In the use of the word exchange one is not always certain whether to understand foreign exchange or the exchange between some of the different moneys in Maryland. At times the context makes perfectly clear which meaning to apply to these words, but at other times it is impossible to know what idea is intended.

[14] H. Jones, The Present State of Virginia, p. 45.

[15] Calvert Papers, No. 2, p. 73.

[16] Mair, in his Book-keeping Modernized, makes some statements that do not seem to be verified by other sources. "Bills on Britain," he says, "before the year 1744, generally sold below par, often at 15 per cent. But trade of late having turned precarious, by the wars with France and Spain, and the colonies having few effects in Britain to draw for, bills of exchange rose far above par; so that in the years 1745 and 1746, exchange run from 35 to 40 per cent" (William and Mary Quarterly, vol. xiv, p. 93). It seems impossible for exchange to have been normally below par previous to 1744. Shipments of money were always from the colonies to England; and as long as that condition existed, bills could not long remain below par.

cent.[16] In 1723 Benjamin Tasker bought bills from the treasurer at £128 currency for £100 sterling exchange.[17]

In 1725 the same rate was again set.[18] In 1727, in order to save the loss, the legislature agreed to sell no more bills in Maryland but to negotiate them directly through a merchant in London.[19] The government, however, refused to assume any liability in case a bill should be protested, and this may have been the reason for the low prices. In 1728 the treasurers were authorized to dispose of bills at £135 currency for £100 sterling exchange.[20] This seems to have been very nearly the average premium at that time.

The issue of paper money caused a sharp rise in the price of bills of exchange. The proprietor complained in 1735 that even before paper had actually reached circulation the upward tendency was so strong that he did not doubt it would reach a rate of £140 currency for £100 sterling exchange—an advance of five per cent.[21] He was not mistaken, for the war period that followed between 1739 and 1748 caused an additional rise in the price. In 1744 the proprietor was offering 141 for bills but getting none, as bills were selling as high as 145.[22] In March, 1745, the agent informed the proprietor that "Bills of Exchange grow so valuable that they are hardly to be purchased."[23] Exchange quotations from the Callister correspondence during the years 1746 and 1747 show a tendency for bills to settle at £140 proclamation currency for £100 sterling exchange, but at times they ranged as high as £150.[24] In 1747 a government order for gold currency to be exchanged for bills and transmitted to England was returned unused because of the impossibility of negotiating it advantageously.[25]

[17] Lower House Journal, October 19, 1723. The par value of currency was £133⅓ for £100 sterling.
[18] Lower House Journal, October 16, 1725.
[19] Upper House Journal, October 30, 1727.
[20] Lower House Journal, October 25, 1728.
[21] Calvert Papers, MS., No. 295½, p. 66.
[22] Calvert Papers, No. 2, p. 118.
[23] Ibid.
[24] May 4, August 21, 1746; February 23, December 28, 1747.
[25] Lower House Journal, June 20, 1747.

After the close of the war in 1748 it was to be expected that the price of bills would fall, but the decline was not immediately evident. The exhausted condition of the country and the accumulation of the debt to England maintained the demand, and in 1749 there was a greater amount of money offered for bills than during many years previous.[26] In 1754, however, Governor Sharpe quoted exchange below par, or at from £162½ to £165 gold and silver valued according to the inspection law (£166⅔ inspection law standard equalled £100 sterling) for £100 sterling exchange.[27] But five months later the same man made a general statement that exchange with England was "rather above par."[28] There seems to have been a period of low exchange corresponding only very roughly to the period of peace and extending well into the time of the French and Indian War. In 1758 exchange was so low that bills found no sale in Philadelphia,[29] and even as late as 1759 Henry Callister apparently refers to a low state of that market.[30] A contract between William Buchanan, Thomas Ringgold, and others, made in July, 1760, seems to have assumed that exchange was about seven per cent below par.[31] In August, 1760, however, war conditions began to have their full effect. So destructive were the privateers that little tobacco reached home, and bills of exchange grew very scarce and very dear.[32] From this time to the end of the period under con-

[26] "Letter Book of Francis Jerdone," p. 155. This statement is made of Williamsburg, Virginia, but any such economic condition would be general throughout both Virginia and Maryland.

[27] Archives, vol. vi, p. 85.

[28] Ibid., p. 164.

[29] Ibid., vol. ix, p. 280.

[30] Callister MSS., June 12, 1759; November 30, 1760; April 30, 1761. The uncertainty as to terms in these letters is so great that it is impossible to be sure of the above statement. One point that is certain is that exchange in 1759 was low in comparison with 1761. The burden of Callister's complaint is that the rapid rise is working him hardship. See page 42, note 13.

[31] Chancery Record, Liber DD No. 1, pp. 253–280. The rapid rise of exchange that came shortly after this seems to have been responsible for the case getting into court.

[32] Callister MSS., August 11, 1760; April 30, 1761; Archives, vol. xi, p. 534; Chancery Record, Liber DD No. 1, p. 269.

sideration exchange seems to have remained high,[33] but all quotations are so confused with Maryland and Pennsylvania currency that it is impossible to form an exact idea of the real foreign premium. Judging from the events following the peace of 1748, one would expect the exchange to remain high for several years after 1763 and then to fall to within a few points of par. The Callister correspondence seems to bear out this hypothesis. Quotations in Pennsylvania paper soared as high as £182½ Pennsylvania currency to £100 sterling exchange in 1762, but were down again to £170 in 1766.[34] In Baltimore Town, also, in the autumn of 1765 bills were selling as low as £160 and £162½ running money for £100 sterling.[35]

In spite of the high premiums, the principle of exchange seems to have been but little understood by many of the colonists. Inventories almost invariably carry out debts due from English merchants at the regular sterling value, though the actual value of such debts was from two to ten per cent higher.[36] Some calculations show wide and unaccountable variations in the value of bills.[37] Henry Callister had to carry on a prolonged argument with a neighboring merchant in order to convince him of the necessity of advancing the price of goods when exchange rose violently.[38]

---

[33] On July 23, 1764, John Dorsey wrote: "I have sent Benny Dorsey down to get £100 Currency and Beg you'll speak to Mr. John Smith and get it at as good an Exchange as you Possibly can for Bills by the Going of your Ship. As the Necessity for it is so great I must give 65 PCt if it can't be had on Better Terms" (Ridgely Papers). By 65 PCt Dorsey meant about par or a point below. Par was 166⅔ for 100, but the people frequently used the round number 165. This was a case of necessity, and does not mean that exchange was normally at par.

[34] August 24, 1762; 1766. Notice that the depreciation of Pennsylvania currency and the premium on bills are here so combined that it is impossible to separate them. It is probable, however, that Pennsylvania currency at this time was worth about 166⅔, which would make an exchange premium of 182½ to 166⅔, or 9½ per cent.

[35] See page 41, note 7.

[36] Land Office, Inventories, No. 6, p. 246; No. 7, pp. 200, 258; No. 8, p. 217; No. 9, p. 40; No. 12, p. 493; No. 17, pp. 477, 522; and so on. Baltimore County, Administration Accounts, Liber C No. 3, pp. 122, 144.

[37] Land Office, Chancery Record, Liber JR No. 2, p. 538.

[38] Callister MSS., August 24, September 6, 14, 1762.

Thus, in general, bills of exchange tended under normal conditions to pass at a premium of about 2 per cent, but fluctuated with variations in the crops, at times commanding as high as 6 or 8 per cent premium. With the issue of paper money the premium jumped to about 5 per cent, and continued high—sometimes as high as 10 or 12 per cent—during the war period of 1739 to 1748, coming back to normal about 1753. Then there set in a period of low exchange until about 1758 or 1759, after which the premium again rose to war heights. At the end of the period under consideration, 1765, it was again tending downward toward the normal.

CHAPTER III

Tobacco Currency

When the English settlers found themselves without sufficient coin to transact the necessary business of the colonies, they were compelled to resort to the use of other materials than gold and silver as circulating media. Furs and wampum, the money of the Indians, were employed to some extent, and powder and shot became so popular as money that in some places they received semilegal sanction.[1] Indigo, rice, and sugar were also used in the southern colonies. In Virginia tobacco soon outstripped all other substances in popularity as money. Immediately on landing the Maryland settlers borrowed all the Virginia practices with regard to tobacco, and thus, from the very beginning, that staple became the chief money of the colony. As a circulating medium tobacco entered almost all the fields of usefulness that coin ordinarily reaches. Though never so declared, it was in fact the official money of the province. All levies—parish, county, and provincial—all fines and court charges, and all ecclesiastical and official fees were regularly assessed in tobacco.

The only dues of the provincial government not payable in tobacco were the customs duties, and with slight variations this condition lasted throughout the colonial period. By the paper money act in 1733 all of those dues that had previously been payable only in tobacco, except officers' fees, the ministers' salaries, and special assessments for the building of churches, became payable also in paper money or in gold and silver at the rate of ten shillings per hundred pounds of tobacco.[2] The act, however, left tobacco the

[1] Tonnage duties in Maryland were laid in powder and shot by act of 1661. See W. R. Shepherd, "History of Proprietary Government in Pennsylvania," in Columbia Studies, vol. vi, p. 401.

[2] Acts of 1733; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 323: 12), T. 23; Bacon, 1733, ch. 6.

official money in which all public dues were rated, and allowed an alternative only in payment. By a supplementary act of 1735 all provincial and county taxes and bounties were for three years to be assessed and allowed in currency instead of tobacco,[3] and in accordance with this law certainly some, probably all, of the counties went on a money basis during the years 1736, 1737, and 1738.[4] After 1738, however, they all returned to a tobacco basis. During the eighteenth century the private revenue and those duties that were payable to the British government[5] were, of course, accepted only in coin or bills of exchange. It was only by a special arrangement that down to 1715 quit-rents and alienation fines were accepted in tobacco.

In the business world tobacco money was as prevalent as in the official world. Alsop, writing about 1660, tells us that "Tobacco is the current Coyn of *Mary-land* and will sooner purchase Commodities from the Merchant, then money."[6] Oldmixon some fifty years later voiced the same idea: "Tobacco is their [Marylanders'] Meat, Drink, Cloathing and Money; not but that they have both *Spanish* and *English* money pretty plenty, which serves only for Pocket-Expenses, and not for Trade, Tobacco being the Standard of that, as well with the Planters and others, as with the Merchants."[7]

Accounts submitted with cases brought into court also show the prevalence of tobacco money in mercantile affairs. Of these the regular type is a long list of imported articles purchased by the planter balanced against the hogsheads of tobacco that he had produced. In the tobacco counties scarcely one account in ten will show a payment from the planter to the merchant in any other medium, except possibly

[3] Acts of 1735, p. 2.
[4] Kent Levy Book, Chestertown; Queen Anne's County, Court Records, annual levy.
[5] Greenwich Hospital six-penny assessment and the penny per pound for William and Mary College.
[6] "A character of the Province of Maryland," in Maryland Historical Society, Fund Publication, No. 15, p. 68.
[7] Vol. i, p. 343.

a hog, a day's work, or some article apparently intended for the merchant's own use. Goods were listed and charged for at tobacco rates, and should coin be offered in payment, bargaining would probably have been necessary to settle how many pounds of tobacco should be credited for a shilling sterling.[8] Notes, bonds, and other commercial instruments were largely drawn in terms of tobacco.

These larger commercial transactions offered the chief field of usefulness for tobacco currency. To be sure, some payments in small parcels did occur, notably the various official fees, which fell due in lots of sometimes only a pound or two, scattered all over the province. In the main, coin served for small transactions, and tobacco was used only to satisfy large bills.[9] Most dealing was done on open accounts, which soon accumulated into large sums and were paid in bulk by the transfer of tobacco. The popular notion that the Maryland and Virginia colonists traveled around with bundles of tobacco as pocket-money is without foundation in fact.

What little tobacco was paid out in small amounts may be said to have entered circulation as money, but in general tobacco did not circulate. Its monetary qualities did not interfere with its movement in the ordinary course of trade. The planter dealt with local merchants throughout the winter; when his crop was packed in the spring, he turned over to each merchant a portion as payment on the open account.[10] The tobacco itself generally remained in the planter's barn until the vessel came to receive the merchant's shipment. If a merchant transferred his tobacco to a third party, the transfer was effected by labeling the hogshead with the name of the new owner and letting it remain in the planter's barn until the third party's shipment was ready. Thus the actual movement of tobacco was directly from the grower to the shipper, and the commodity served as money only as it satisfied one or more debts in the course of its

[8] Callister MSS., about 1745.
[9] Quotation from Oldmixon on page 49; see also page 17.
[10] Callister MSS., about 1745.

movement. There were economically only two important classes of people in the colony: those who produced tobacco and exchanged it for manufactured articles, and those who imported manufactures and exchanged them for tobacco. Barter between these classes was so direct that debits offset credits and no medium was needed other than the articles of commerce themselves. It was this simple relationship that made possible the extensive use of tobacco as money.

For this purpose tobacco showed in many ways a peculiar lack of fitness. The chief qualities of a good monetary substance as enumerated by economists are a proper supply, durability, portability, homogeneity, divisibility, and stability of value. We may consider the qualifications and disqualifications of tobacco as money by noticing how far it met or failed to meet these requirements.

The supply of tobacco was in amount equal to the monetary needs of the colony. About 1750 there were produced, on the average, 30,000 hogsheads of tobacco each year. This, at a valuation of £5 per hogshead, made a monetary supply of £1 per head for the 150,000 population,—free, bond, and slave. In the limited state of colonial trade this alone would have been an adequate supply of ordinary money, and considering the coin, bills, and paper then in circulation, it might seem that Maryland was oversupplied with currency. Tobacco, however, did not circulate, and each pound satisfied not more than one or two debts. Thus, while the amount was adequate, the peculiarities of tobacco currency cut down its efficiency to something less than the actual needs of trade.

Uncertainties in the supply of tobacco formed one of the chief objections to its use as a monetary medium. There were three serious variations in supply, namely, between the crops of different individuals, between different seasons of the year, and between different years. Variations in the tobacco supply of different individuals was not a question of rich and poor. Early in the eighteenth century tobacco raising had become so unprofitable that many persons aban-

doned it for other occupations. In some parts of the colony grain began to assume the rank of a staple crop, and by 1760 several counties were producing grain almost exclusively. The inhabitants of these counties, with a few other small classes such as frontiersmen, artisans, and sailors, did not produce tobacco; and though as wealthy as the tobacco producers, these people often found themselves in serious difficulties when called upon to pay the regular tobacco levies. Complaints soon reached the legislature. In 1719, and again in 1720, petitions were received asking permission to pay the levies in money instead of tobacco, but the favor was not granted at this time.[11] Three years later the inhabitants of the city of Annapolis, who of course grew no tobacco, were refused a similar request.[12] In 1725 both Somerset and Cecil Counties complained of the tobacco levies.[13] The accumulation of these complaints was the chief reason for the issue of paper money in 1733. The bills then emitted were made payable for all colonial duties except official fees, the clergy's salaries, special assessments for building churches, the export tobacco duty, and the tonnage duties. In the payment of public charges paper was made equivalent to tobacco at the rate of ten shillings per hundred pounds.[14]

So numerous and important were the exceptions in the paper-money act that complaints about the necessity of producing tobacco continued as loud as before, and there are evidences that during the next few years the Lower House was making great efforts to procure the commutation of fees from tobacco into money.[15] In 1738 the committee of grievances reported as follows: "Your Committee likewise

[11] Lower House Journal, May 25, 1719; April 8, 1720.

[12] Ibid., September 26, 1723.

[13] Ibid., October 11, 1725. A committee recommended "That Sommersett County and some others that Cannot make any Quantity of Tobacco or Flax, may have the Liberty of paying their Publick Dues in Country Commodities."

[14] Acts of 1733; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 323: 12), T 23; Bacon, 1733, ch. 6.

[15] Upper House Journal, March 31, 1736; Lower House Journal, April 8, 22, 1736; May 11, 12, 30, 1739.

most humbly observe that maney poor Tradesmen, Artificers, Labourers and others throughout this Province making no Tobacco, execute their Trade Artifice Labour or other business for the current Money of the Province, yet by the said Ministers Officers and other Deputies are charged such Fees in Tobacco, which they having not to comply or able to procure, are necessitated and tortiously compelled to pay for the Same excessive and exhorbitant prices in such Current Money to the ruin of Many Families and their intire Extirpation out of this Province and discouragement of those who remain to follow such their useful Arts Labour and Industry."[16] It was on the frontier of what is now Frederick County, where little tobacco was raised, that the situation became most acute. In 1737 a bill to grant relief to the settlers on the frontier was turned into an attempt grew no tobacco. It failed to pass the Upper House.[17] In to lighten the burden of officers' fees for all colonists who 1739 there was submitted "The Petition of the Inhabitants of the back Parts of Prince George's County and the adjacent Places, praying leave to discharge their Taxes in Money."[18] Again a bill to relieve the inhabitants of the frontiers failed to pass. In the same year there was also an attempt to change the fees of the admiralty court from tobacco into money on the ground that those who resorted to that court were mostly shippers and foreigners, who had no tobacco.[19]

Eight years later, by the tobacco inspection act of 1747, the first effective relief was granted. According to this act all fees and levies were still to be assessed in tobacco, but those who did not grow the crop were allowed to pay all fees and levies in money at the rate of twelve shillings six pence currency per hundred pounds of tobacco, provided payment was made before April 10 yearly, or at the time of the performance of the service for which the fee arose.

[16] Lower House Journal, May 16, 1738.
[17] Ibid., May 11, 12, 13, 1737.
[18] Lower House Journal, May 11, 12, 1739.
[19] Ibid., May 15, 1739.

This privilege was limited strictly to those who had grown no tobacco the year before.[20] Similar provisions were included in the tobacco acts of 1754[21] and 1763.[22] In accordance with these laws, from 1747 on it was always possible for individuals who lacked a supply of tobacco to meet all public obligations in other currencies.

The second way in which the supply of tobacco varied was between the different seasons. Tobacco was usually planted in April and housed in September, and some of it might be sufficiently cured by the middle of November; but since it could be stripped and packed only in damp weather, usually all winter and frequently most of the following summer were required to get a crop ready for shipment. Obviously, it would assist a man little in the payment of a debt to have a barn fairly bursting with tobacco if it was not packed or in condition to be transferred. Therefore it was only between the middle of November—the earliest date at which any amount of tobacco could be cured and prepared—and the end of August, when the last ships usually sailed, that any one could be expected to have on hand sufficient tobacco to meet a debt. Moreover, for market reasons, constant encouragement was given to the early shipper, and if an industrious planter managed to send off his crop by the middle of April, he might be solvent and still not be able to pay a small tobacco debt unexpectedly brought against him the first of June. Such a state of affairs forced all tobacco transactions to take place only during the winter or the early spring months. Tobacco debts were regulated to fall due at these times. Merchants permitted planters to run accounts all the year and to pay up by the transfer of the tobacco crop after it was ready in the spring or summer.

[20] Acts of 1747, p. 8.

[21] Acts of 1754.

[22] Bacon, 1763, ch. 18. Speaking of this alternative payment when it was being attacked in 1763, the Lower House said: "This alternative is one of the most valuable Parts of the Law. The Quantity of our Staple was too great, and this was the Measure fallen upon to reduce it; when this alternative is in Effect taken away, the People must again have Recourse to making Tobacco" (Lower House Journal, October 31, 1763).

Occasional transactions in the off season were accomplished almost exclusively by promissory notes payable "by the going out of Capt. Grindall,"[23] or at some other convenient time.[24]

It would have been a hardship indeed had the law permitted creditors to sue and execute for tobacco debts at unseasonable times. In the code of 1715 it was provided that "after the Tenth Day of May in any Year, no Execution shall issue out of any Court of this Province, against the Body or Goods of any Person or Persons inhabiting within this Province till the Tenth Day of November next," upon condition, however, that a debtor, to prevent execution, should give to the creditor a confessed judgment, with two good sureties to guarantee payment during the next open season.[25] In 1721 this provision was extended to certain other courts that had been construed out of the general clause.[26] November 10 was felt to be somewhat too early for the indolent planters, and in 1728 the season for executions was narrowed by forbidding them before February 10.[27] From this time on no execution could be laid except during the three months between February 10 and May 10 of each year.[28]

The regulation of tenders and executions successfully remedied the chief difficulties arising from seasonal fluctuations in the tobacco supply; but variation between different years was not so easily overcome. Like all other crops, tobacco has good years and bad years. It was a serious hardship for one who had contracted a tobacco debt during a

[23] Baltimore County, Court Records, June, 1745, Liber TB No. C, p. 553.

[24] For example of note transactions see Lower House Journal, May 12, 1737.

[25] Bacon, 1715, ch. 33. Though the trouble lay only in tobacco debts, this act was made general and applied to all debts.

[26] Bacon, 1721, ch. 4.

[27] Ibid., 1728, ch. 24.

[28] So strong was the influence of foreign trade over the colony that money contracts were commonly made payable by the going out of the ships, which was in midsummer; but these debts also were attracted into a regulation similar to that for tobacco contracts (Bacon, 1721, ch. 4; Lower House Journal, July 27, 1721).

year of plenty to be called upon for payment during a year of scarcity. So grievous was the difficulty at times that special acts were passed relieving the pressure. The most notable instance was in 1724 and 1725. Crops seem to have been poor in both 1722 and 1723, and in 1724 the drought was such that there was almost no tobacco produced at all. In the fall of 1724, therefore, the legislature passed an act permitting all persons who had not enough tobacco for taxes to make oath to that fact and have their liability for taxes postponed for one year. After it was found what proportion of the taxes was thus postponed, the same proportion of all public debts was to be repudiated for the year. An oath of inability to pay was also to supersede all executions for officers' fees and private debts for one year.[29] Some irregularities seem to have been practiced in the administration of the law, and an additional act was passed in 1725 continuing still longer the immunity from execution in some cases.[30]

The several peculiarities in the supply of tobacco would have been of less consequence had tobacco possessed the second requirement for a monetary medium,—durability. A more durable substance could have been accumulated from year to year, and the failure of a single crop would not have left the colony entirely without money. Tobacco, however, decreased in value so rapidly if held over a season that practically the entire crop was shipped every summer, thus forcing the colony to produce an entirely new money supply each year. The failure to meet the test of durability was the most serious handicap on tobacco as a circulating medium.

In respect to portability tobacco had two serious defects. So brittle is the cured leaf that only in damp weather can it be handled at all, and even then it shatters so badly as to make each handling result in an appreciable loss. Further-

[29] Lower House Journal, October 8, 17, 30, 1724; Upper House Journal, October 9, 20, 28, 29, 1724. Only the title of the act is preserved. There seem to have been some other provisions for the payment of money instead of tobacco.

[30] Bacon, 1725, ch. 3; W. Parks, Collection of the Laws of Maryland, p. 273.

more, the great weight and even greater mass of tobacco money made transportation a mechanical difficulty so serious that the place of payment formed an essential part of every contract. A government contract in 1722 failed of reasonable bids largely because the enabling resolution did not specify the place of payment.[31] To meet this condition some interesting laws and customs came into vogue.

Since the ownership of tobacco passed through very few hands between the field and the ship, it was frequently found convenient not to move a crop except when it was loaded aboard a vessel. The merchant or other receiver of tobacco came to each plantation and had the proper amounts weighed out, packed into hogsheads, and marked with his own name. The tobacco was then stowed away in the planter's barn, where the planter was compelled by law to keep it for a whole year or until the receiver saw fit to have it removed. Every planter was required by law to have for this purpose sufficient storage space, properly roofed and securely locked, and all loss by weather or theft due to inadequate housing was to be sustained by the planter. During the period of storage marked tobacco could not be levied on by the sheriff for the planter's debts except in payment of the public levies or the minister's salary.[32] If the original payee transferred this tobacco to another, the exchange was effected when the new owner marked out the first name on the hogshead and substituted his own. When a tobacco receiver was ready to ship his consignment, he sent to the various plantations where his tobacco was stored and ordered that it be delivered to the several nearby landings, from which it was taken by lighters and loaded on the vessel. Thus were avoided not only the expense and difficulty of several removals of the tobacco, but also the necessity on the part of the merchants of maintaining warehouses to store the tremendous amount of tobacco that some of them received.[33]

[31] Upper House Journal, October 30, 1722.
[32] Bacon, 1715, ch. 46.
[33] Ibid., ch. 22.

Another device employed to facilitate transfers of such bulky money was the tobacco note. The promissory note mentioned above was an arrangement to obviate certain difficulties arising from the seasonal nature of the tobacco supply rather than a part of the machinery of exchange, although it did to some extent fulfil the latter function. A more direct exchange instrument was the written order to the planter in whose barn marked tobacco was stored requiring him to change the name on the hogshead.

In 1747 all previous customs and all regulations concerning the transportation and storage of tobacco were entirely swept away and a new system was introduced by the establishment of public warehouses to which all tobacco had to be sent before shipment. On the delivery of a crop at the warehouse, the planter was supplied at his option either with a non-transferable receipt or with one or more transferable notes stating the amount, condition, and quality[34] of the tobacco received. These notes called for the delivery to the bearer of the tobacco specified, and passed freely from hand to hand almost like cash. A writer in the Maryland Gazette about seven years after the enactment of the law said: "I then considered the Advantage of having Tobacco Notes in my Pocket, as giving me Credit for the Quantity mentioned in them wherever I went, and that I was thereby at large to dispose of them when, to whom, and where I pleased; whereas, before this Act, my Credit could not be expected to go beyond my own Neighbourhood, or at fartherest, where I might be known."[35] The law required that all tenders of tobacco, to be legal, be made in transfer notes, and all levies and fees were accepted only in this form. The element of transportation, however, was not entirely eliminated, as the location of the warehouse in which the tobacco was lodged was still a matter of importance. Levies had to

[34] Speaking of transferred tobacco, about one third of the whole, Callister said: "the Inspectors will not trouble themselves to distinguish the quality in their Notes, & as often Phaps are not capable to distinguish or if they undertook it, as little to be relied on" (Callister MSS., July 9, 1751).

[35] April 5, 1753.

be paid in notes on some warehouse in the county or parish where they were due, and officers' and lawyers' fees in notes on some warehouse in the county where the debtor lived. From 1747 to the end of the colonial period tobacco payments were rendered easy by this regulation. It was the most important single device employed to facilitate the use of tobacco as money.[36]

The public inspection before the delivery of tobacco notes tended also to correct another fault in the tobacco medium, that is, lack of homogeneity. Scarcely any two crops of tobacco were of exactly the same quality, and, even when they were about equal in grade, differences in curing and packing might cause a wide disparity in value. One crop might be more shattered than another. One planter might pack a larger percentage of the scrubby ground leaf, while another might conceal a large quantity of stems, dirt, or brickbats in the middle of his hogshead. If tobacco had been merely a crop to be sold for the market price, careless and fraudulent handling would have brought loss only to the planter; but since it passed as money, a pound just fit to be accepted was worth as much to the planter as a pound of the best leaf, and the more dirt he could include in a hogshead without causing its rejection, the easier would be the payment of his debts. Regulations of quality, consequently, form a large part of the tobacco code.

False packing was stringently prohibited. A fine of one thousand pounds of tobacco per hogshead was provided by the code of 1715 for every person who "shall use any fallacious . . . Practices to conceal or hide any Frost-bitten, trashy Ground-Leaves, or small Scrubs, or any Stalks, Stems, Wood, Stones, Dirt, or any other manner of Trash, or old decayed Tobacco, in the inward parts of such Hogshead, where the Generality of such Tobacco as shall be packed in the outward parts is good, sound and merchantable; or shall be deemed or adjudged by the Court or Jury before whom such matter shall be Tried or called in Ques-

[36] Acts of 1747, pp. 11, 13.

tion, that such Packing falls within the ancient common received notion of what false packing has been hitherto reputed to be; and any such hogshead or cask of Tobacco pay or offer or tender to pay away."[37] Almost every subsequent tobacco act down to 1747 carried its provision against false packing.

The greatest difficulties arose over the including of ground leaves and "seconds." After the tobacco stalks have been cut, a few extra leaves of a coarse fibre will spring up quickly on the stump left in the ground, and many planters harvested these leaves and cured them with the regular crop. The coarseness of the leaf and the extreme danger that such a late harvest would be touched with frost made seconds a very undesirable product. Many unavailing efforts were put forth to prevent the packing of these low grades. The first enactment that met with any degree of success seems to have been the paper-money act of 1733. By that law every planter was required to burn in the presence of inspectors appointed for the purpose one hundred and fifty pounds of his worst tobacco for every taxable person[38] that worked in his fields. A fine of twenty shillings was imposed for every hundred and fifty pounds of tobacco not so burned.[39] Even this act was not an unqualified success, and the problem was still unsolved when the inspection act of 1747 put all tobacco questions on a new basis.

In dealing with a money of such doubtful nature creditors had to protect themselves, and it is not to be supposed that they depended solely on the law. Sheriffs and others who received tobacco payments seem to have scrutinized each hogshead very carefully before accepting it. Even then, however, without seeing a hogshead entirely unpacked it was difficult to be certain that there was no scrubby leaf in it. Some merchants employed expert in-

[37] Bacon, 1715, ch. 22.

[38] All persons above sixteen years of age except free white women were counted as taxables.

[39] Acts of 1733; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 5: 1269), T 23; Bacon, 1733, ch. 6.

spectors to examine all tobacco offered in payment,[40] and some were so careful that they maintained regular inspection houses of their own, where all tobacco was unpacked and graded before it was accepted.[41] In some cases this private inspection of tobacco was so abused that a creditor in a favorable position, such as a landlord, was able to cull out the best of a debtor's crop.[42]

Previous to 1713 creditors seem to have had the right to accept or reject tobacco without restraint. An act of that year recites that creditors often reject or delay in receiving good tobacco, and the debtor, being afraid to dispose of it for fear of its being demanded, is compelled to hold it subject to casualty and depreciation. The act provides that if between November and March 31—the legal period for tenders in tobacco—a debtor's offer is rejected, he may apply to a justice of the peace, who shall appoint two inspectors to view the tobacco; if found good, it shall be marked and kept one year at the order of the creditor as payment of the debt.[43] This seems not to have been an entirely satisfactory solution of the problem, for in 1724 the committee of grievances complained that sheriffs were rejecting good tobacco as a pretence for execution in order to gain the additional execution fees.[44] An act of the same session enlarging the time for tenders in tobacco may have had something to do with this matter,[45] for no more complaints of such practices by sheriffs are heard.

By the tobacco act of 1747 all these provisions and the former methods of dealing were swept away, and an ideal

[40] Letter from "Q in the Corner," in Maryland Gazette, April 28, 1747.

[41] "Before the making the Law [of 1747] it is certain, and well known, that some Merchants obliged the Planters to carry the Tobacco they agreed with them for, to Places where they kept Weights and Scales, and would not receive it 'till it had been examined by a Receiver and weighed in the Scales; this Fact cannot be denied" (Maryland Gazette, April 5, 1753). See also ibid., June 2, 1747; June 7, 1753.

[42] Ibid., July 12, 1753.

[43] Bacon, 1713, ch. 3.

[44] Lower House Journal, October 14, 1724.

[45] Bacon, 1724, ch. 6.

system of grading was substituted. The public inspector, an expert judge of tobacco, was set up to examine all crops and, by personally repacking each hogshead, to make certain that no deceit was practiced. As the tobacco notes issued by the inspectors told the weight, quality,[46] and condition of the hogshead, there could no longer be any doubt in the mind of the receiver as to the coin in which he was being paid. With efficient administration this act furnished the best possible arrangement for correcting the defective homogeneity of tobacco money.[47]

In point of divisibility tobacco was all that could be desired, but excellence in this respect was offset by defects in other regards. Although easily separated into very small parcels, tobacco when so divided rapidly declined in value. Lack of durability was responsible for this condition. In the first place, the amount of handling necessary to break up a crop into small lots and to transfer these lots from man to man was so injurious to the tobacco that its value was much diminished. In the second place, since tobacco depended for its value upon shipment abroad, and since shipment was profitable only in large amounts, the acceptance of one small parcel entailed the necessity of procuring enough more to constitute a consignment or else the first parcel became valueless. These considerations rendered small tobacco transactions comparatively rare.

The last, and in some ways the most important, quality that a good monetary substance should possess is stability of value. In this respect, also, tobacco failed. Fluctuations in price were frequent and violent. For example, the year 1720 fell in a period of very cheap tobacco. Overproduction had stocked the foreign market to overflowing, and as early as 1711 prices had fallen so low that a minister complained to his bishop that "Tobacco, our money, is worth nothing, and not a Shirt to be had for Tobacco this year in all our

[46] Except of "transfer" tobacco (that which was paid away in small parcels), as transfer hogsheads were composed of various parcels of differing quality.

[47] Laws of 1747, p. 8.

county."[48] Tobacco remained at this low ebb until 1724, when, failure of the crop sending prices soaring, a relief act had to be passed permitting the suspension of payments for a year. Prices gradually fell back into their old rates, and another period of depression set in. In 1734 another failure of the crop made tobacco so valuable that, whereas it had been selling for about ten shillings per hundred pounds, planters were willing to pay a fine of twenty shillings rather than burn the hundred and fifty pounds of trash required by law.[49] The war period of 1739 to 1748 was in general a time of cheap tobacco. Both the tobacco act and the declaration of peace went into effect in 1748 and sent tobacco prices up again for a short while.[50] From that time on to the end of the colonial period the value seems never to have fallen quite so low as it did before the days of public inspection; but it still fluctuated with changing conditions, especially showing much depression during the long French War. These fluctuations were so great that prices sometimes doubled in a single season.

Such a variable money furnished no standard of value and left business on an exceedingly precarious basis. It was the uncertainty of price as well as of place of payment that prevented reasonable bids on a government contract in 1722.[51] An example of the hardships caused by fluctuations in the value of tobacco money is shown in a dispute between Henry Callister and a neighbor named Maxwell, in which complaint was made "that tobacco had risen 50 per cent currency from the time I borrow'd till I paid."[52] Debtors naturally took advantage of the years of cheap tobacco to pay off their debts, and put forth all sorts of excuses for not paying in years of high prices. At times the Lower House of Assembly countenanced this sort of trickery by smoothing the

[48] E. Ingle, "Parish Institutions of Maryland," in Johns Hopkins University Studies, vol. 1, no. 6, p. 9 n.
[49] Acts of 1734, p. 6.
[50] Callister MSS., November 12, 1749; Maryland Gazette, April 5, 1753.
[51] Upper House Journal, October 30, 1722; see above, page 57.
[52] Callister MSS., June 23, 1759.

way wherever it was possible for delaying payments in scarce years. An ironical advertisement, apparently written by Henry Callister, refers to certain proceedings of the assembly of 1759 directed toward this end. It advises people not to pay foreigners' debts while they still have credit in the country, and when they can go no further, to rely on the courts as composed of fellow-countrymen and they will be freed of all obligations to foreigners. It might be good policy to remit a few bills now and then, so they can be protested, but people are not to think of paying debts while tobacco is high and goods are cheap.[53]

The credit system rested upon an unstable basis. Merchants supplied the planters with goods on account throughout the year, and received payment out of the crop when it was packed in the spring or summer. To some extent they bargained for a commodity of the value of which they could have no idea. It was not until after the middle of August that an estimate could be made of the size of the crop and, consequently, of the course of prices. If the crop was large, values of goods throughout the rest of the summer and on to the next spring could be raised to allow for the cheapness of the tobacco in which payments would be made. If the crop was seen to be a failure, prices would be lowered to attract as much as possible of the valuable tobacco. Factors kept their principals closely informed of the weather conditions and crop prospects, that goods might be selected and prices set with the greatest possible intelligence.[54] Notwithstanding the best efforts of the merchants, however, the purchase of tobacco with goods nearly a year before the delivery of the crop was a very hazardous business.

In order to avoid the risks of dealing in tobacco for future delivery, many merchants began about the middle of the century to mark their goods in a new way. All goods were priced in the stores at their sterling cost in England. When

[53] Bound letters, Maryland Diocesan Library, No. 44.

[54] For examples of such reports see Callister MSS., May 4, August 21, 1746; February 23, 1746/7; December 28, 1747; August 8, 1748; and passim.

the tobacco was offered in payment of accounts in this "sterling goods" standard, the price of the tobacco was made sufficiently low to allow for overhead charges and profits. If the account was settled by the payment of money instead of tobacco, the total was always increased from fifty to a hundred per cent. The ledgers of many merchants show a "sterling goods" column as well as "sterling," "currency," and "tobacco" columns. The same article when charged in the "currency" column is usually at double the price that it bears in the "sterling goods" column.[55] With money exchanging at £166⅔ currency for £100 sterling, it is evident that two thirds of the advance is exchange and one third profit, making a profit on the original outlay of twenty per cent. The "sterling goods" method of keeping accounts had the appearance of a new standard of value, in which the goods set the standard and the tobacco was the commodity purchased. In reality, however, the whole system was merely a safe method of employing tobacco as currency in deferred payments by counteracting the effect of variations in price.

Along with the natural changes in the price of tobacco there must be considered also the artificial variations caused by legislation. It was clearly seen by the colonists that the economic depression of the province was caused partly by overproduction and partly by the poor quality of tobacco shipped. Efforts for improvement, therefore, were largely directed, first, toward limitation of the product, and, second,

[55] See numerous ledgers in the Library of Congress, Firm Accounts, Maryland and Virginia. Agreements like the following are found at the ends of some accounts in these ledgers: "1761 Sept[r] 28. Then we the Subscribers Settl'd Accompts 'till this date and after Examination finds a Ballance of Forty Nine Pounds, Sixteen Shillings Currency (payable as by Inspection Law) due Edward Smoot —And a Ballance of One hundred Pounds Crop Tobacco, And Twenty Six Pounds, Eighteen Shillings and Six Pence Three farthings Cost in Sterling Goods due by said Smoot to Thomas Francis & Company which Ballance of Sterling Goods is to be discharged by Edward Smoot in Crop Tobacco, When the Inspection Opens in 1761—and in the year 1762—and he is to have the Price that Cap[t]. Francis gives in first Cost of Goods in 1762 provided the whole tobacco is paid that year" (Ledger 1761, p. 368).

toward the prevention of the shipping of trash. In either case the passage of a tobacco act meant the curtailment of the amount of tobacco money that a planter might actually spend. Since debts were fixed in terms of tobacco, it was felt that they would be made much more burdensome if the planter was limited in the amount that he might produce or the proportion that he might ship. Moreover, as all legislation was intended to raise the price, it was further believed that the actual value of the tobacco paid on a debt would be increased if restrictions were placed upon the crop. For these reasons, every tobacco act was accompanied by an attempt to scale down tobacco debts so that the value paid under the act would be about equal to the value as it would have been had no such act been passed. The only time that such legislation was actually put in force was in 1747. By the tobacco inspection act of that year all outstanding tobacco debts that should be paid in inspected tobacco were reduced one fourth; the ministers' salaries were reduced from forty pounds to thirty pounds of tobacco per taxable; and a reduced scale was established for officers' and lawyers' fees. In this instance tampering with contracts proved a wise measure, for, owing to the combined effect of the regulation and the peace of 1748, the price of tobacco rose even more than a fourth during the next few years. On the other hand, the expiration of beneficial legislation would have as serious effects as its enactment. When, therefore, in 1753 it looked as if the act of 1747 might be allowed to lapse, merchants tried to collect all outstanding debts so as to carry no accounts over to the period of cheaper tobacco which seemed imminent.[56]

It is hardly too much to assert that artificial variations, real and threatened, in the price of tobacco caused as much anxiety and nearly as much hardship as variations from

[56] Advertisement by Richard Snowden (Maryland Gazette, April 5, 1753). Henry Callister feared that if the act was not continued there would be little prospect of any addition to tobacco debts, and suggested that two or three such enactments and repeals would wipe out debts altogether (Callister MSS., July 9, 1751).

natural causes. There was no possible remedy for these fluctuations, and not even any means of making public what might be a proper rate for tobacco at any given time. An interesting experiment along this line was conducted by the court of Charles County. At its March meeting this court settled the current price of tobacco for the ensuing year.[57] This declared price, of course, was binding only on the charges of public houses[58] and ferries, and, possibly, on the county fines and levies, should such be paid in money. Yet in spite of the apparent merits of such a system, no other counties seem ever to have adopted it.[59] In ordinary transactions, custom seems to have played a prominent rôle, and even without any determination by the court, prices were very apt to become fixed at some round figure. The favorite rates per 100 pounds were 8s. 4d. (1d. per pound); 10 shillings; 12s. 6d. (1½d. per pound); 16s. 8d. (2d. per pound); and 20 shillings. Perhaps four fifths of the occasional transactions of a given season would be at some one of these figures.[60] In the dealings of merchants, however, the marking of the goods fixed the price of tobacco on accounts kept in tobacco,[61] and ordinary competition set the price on accounts kept in "sterling goods" and on purchased tobacco. It is probable, therefore, that there was less petty shifting of price and fewer discriminations between individual planters than the uncertainties of the system seem to make possible.

Far from filling the requirements for a good monetary substance, it is evident that tobacco was defective at almost every point. The supply was not well distributed among individuals, it was seasonal, and it varied widely between different years. The material itself was perishable, and this,

[57] Charles County, Court Records, March sessions.

[58] After the assessment of public-house charges in money for 1725 is the following statement: "To be Discharged in Money (if paid ready Down) or tobacco at the rate wch shall be assest by the Justices here in March court next" (Charles County, Court Records, August, 1725, Liber P No. 2, vol. 35, p. 65).

[59] The records of Calvert and St. Mary's Counties are lost.

[60] In the inventories these figures constantly recur.

[61] Callister MSS.

in conjunction with its great bulk, rendered it so difficult to transport that storage laws and tobacco notes were indispensable. So great were the differences in quality, curing, and packing that standardization was impossible, and an expensive public inspection system had ultimately to be established. Though highly divisible, defects in homogeneity and durability rendered this quality useless. Finally, its value was so fluctuating that it furnished no standard of value and led to much hardship in cases of deferred payments. Legislation had eased most of the difficulties arising from the other deficiencies, but this last defect defied all efforts to find a remedy.

One other count must be added to the indictment against this form of money. Tobacco served not only as currency, but also as the staple product of the colony, and it soon developed that regulation of this substance as money was often incompatible with its regulation as a staple product. Thus, when tobacco had long been selling at from eight to ten shillings currency per hundred pounds, it was wise, as far as the commodity was concerned, to adopt heroic measures to raise the price; but at the same time, as a money it was also wise to keep its prices unchanged for the sake of outstanding contracts. Every one in the colony, except possibly a few short-sighted buyers, was desirous of seeing tobacco as a commodity advance in value, but at the same time there were two clearly distinguished opinions as to its value as money. All creditors and all those who, like the clergy, the lawyers, and the officers, had fixed incomes in tobacco were very anxious to have prices advance. All debtors, however, and all who had to pay the fees to the official classes were interested in having tobacco remain low or even sink lower in value. These two classes were represented closely in the two houses of the legislature, the Lower House representing the people, the debtor class, and the Upper House representing the official or creditor class. Every tobacco-improvement bill, therefore, to gain any consideration in the Lower House had to carry some provision

for scaling down fees and debts to allow for the anticipated rise in value; and at the same time the Upper House was very loath indeed to permit reductions to be made while the advance in price was still uncertain.

On this rock many a promising piece of tobacco legislation went to pieces. From 1720 to 1747 almost every legislature took into consideration some proposed tobacco act. In 1728 a bill succeeded at last in avoiding both of the difficulties. Among other provisions for regulating the trade was a clause reducing all tobacco fees and debts by one fourth, if paid in inspected tobacco, and allowing an alternative payment of officers' fees and rectors' salaries in money at ten shillings per hundred pounds, thus providing that, whatever price tobacco might reach, fees could never rise above their value at ten shillings per hundred.[62] The act was being put in force when in 1730 the violent protests of the clergy brought upon it the proprietor's veto.[63] For seventeen years longer the controversy continued, and in consequence the tobacco trade remained without any effective regulation. Only the direst necessity on the part of the province, and the conviction that a tobacco act, though it might reduce the amount of the fees, would increase their value ultimately, brought the two parties to a rational consideration of the subject.[64] Finally, in 1747, the inspection law was passed. This act reduced fees and debts in accordance with the demands of the Lower House, but it also put tobacco under such stringent regulation that the advance in price more than made good the reduction. Thus for about twenty-five years the use of tobacco as money blocked all legislation concerning its treatment as a commodity, and entailed on the colony for that period of time extreme business depression.

It was but natural that, seeing the disadvantages of to-

[62] Upper House Journal, November 2, 1728; Lower House Journal, July 30, 1729.

[63] Lower House Journal, May 26, 1730.

[64] The situation is set forth in an address to the proprietor from the governor and the council (Archives, vol. xxviii, pp. 308–310).

bacco currency, the colonists should have tried to get away from such a system. Before 1720 inroads were being made on the monetary position of tobacco. In 1706 there was passed an act making hemp and flax payable for debts. This, of course, was as much for the encouragement of the culture of those products as for the discouragement of tobacco money.[65] For many years an act of 1715 made all sorts of produce ultimately payable for tobacco debts after execution. The members of the legislature by 1720 were being paid in either tobacco or money at their option.[66] Toward 1730 a movement against tobacco currency gathered considerable momentum. Several petitions asking for the privilege of paying fees and levies in money instead of tobacco reached the legislature, but nothing was done.[67] In an open letter from the London tobacco merchants to the people of Maryland in 1729 the use of tobacco money was singled out for attack, and the colonists were advised to give up this sort of barter and go on a cash basis.[68] It was generally thought that the use of tobacco as currency was in some indefinable way responsible for the fact that Maryland remained an agricultural community and did not develop a trade like that of the northern colonies. The paper-money act of 1733, which grew out of this feeling, was, as its preamble states, an effort to free the colony from the grasp of tobacco money, but the experiment was only partially successful. Tobacco remained the money of fees and levies, and it also continued to be the medium of most commercial transactions. Except for the provision of the tobacco inspection act of 1747 permitting those who grew no tobacco to pay public levies and fees in currency, there was no further change in the status of tobacco money during the entire period under discussion.

Though legislative attacks were largely futile, tobacco money began to lose its hold in some parts of the province about the middle of the eighteenth century. Since it de-

[65] Upper House Journal, August 3, 1721.
[66] Lower House Journal, April 20, 1720.
[67] Ibid., October 11, 1725.
[68] Maryland Gazette, April 15, 1729.

pended upon the simple relationship between planter and merchant for its utility as money, when this relationship ceased to exist the usefulness of tobacco inevitably declined. As a community came more and more to depend on grain raising to supply its needs, all former commercial connections were gradually sundered. The grain buyer was engaged in the West India trade and had no way of disposing of tobacco. Moreover, he was not always an importer, and preferred to purchase grain for cash. Thus, with the advent of grain culture there came a new business field in which tobacco money had no place.

As early as 1725 there are evidences of the breaking down of this kind of currency at the two extremes of the Eastern Shore. The committee of grievances recommended "That Sommersett County and Some others that Cannot make any Quantity of Tobacco or Flax, may have the Liberty of paying their Publick Dues in Country Commodities;" and at the same time they reported a grievance from Cecil County "That officers fees are Rated in Tobacco and that in Scarce Years they Exact Treble the Value viz. Twenty Shillings Sterling Pr. hundred & so always at an uncertainty, whereas if officers' fees and other Publick Dues were Rated in Money to be paid at a price Current in Tobacco or what 'twould be reduced to a Certainty."[69] Evidently both these sections were already abandoning the use of tobacco money, but from the very causes here set forth they were unable to get entirely away from the system. Until the passage of the inspection act of 1747 it continued to be almost a necessity to produce some tobacco in order to meet public charges. The paper-money issue of 1733 undoubtedly furthered the abandonment of tobacco money. About 1745 the merchants in some sections began to transfer their accounts from tobacco to money. Henry Callister, a merchant of Talbot County, writing about this time said: "Our method is new, we rate every article in Papr Mony at abt. 300 Pct. advance on the prime Cost & buy Tobo with this Mony debt dis-

[69] Lower House Journal, October 11, 1725.

counted as above or with Paper Mony bought the same way. By this method we shall lessen our Tobacco debts, & all our dealings will be more certain, we shall know what we are doing and make them [the planters] know likewise."[70] The tobacco act some two years later asserted that "several, or most, of the Traders within this Province keep their Books in Money, tho' in truth their Dealings have been for Tobacco, and that the Intention both of Creditor and Debtor hath been, that the Payment should be made in Tobacco."[71]

About 1750, therefore, the change seems to have become more or less general, but an alteration in accounting does not necessarily denote a change in the method of dealing. Many records show, however, not only a change in book-keeping, but also a change in the manner of payment. A ledger from the upper part of Baltimore (now Harford) County in 1750 shows trade almost entirely in terms of money and tobacco. Another, of 1756, shows a decrease in the tobacco entries and some entries in grain. Ledgers after 1760 show practically no tobacco.[72] On the two ends of the Eastern Shore after 1755 tobacco is rarely mentioned as a credit on an account between merchant and planter. Grain sometimes appears, but money is more frequent. For instance, the volume of Cecil County court records covering the years 1761 and 1762 shows no traces of tobacco except in fines, which were by law assessed in tobacco, though probably paid in money. Evidently by 1765 the use of tobacco as money was rapidly dying out in some sections.

Though very little record remains, it is probable that the back-country trade centering in the young town of Baltimore was also on a cash basis. The transportation of tobacco from the Monocacy to the Patapsco was such a difficult task that it is safe to conclude, in the absence of all evidence to the contrary, that no tobacco was ever so transported. In fact, the back parts of Frederick and Baltimore

[70] Callister MSS., about 1745.
[71] Acts of 1747, p. 3c.
[72] Ledgers A, G, and F of Aquila Hall, and the ledger of Thomas Archer (Harford County Historical Society).

Counties were so remote that little tobacco seems to have been raised there. This western trade, which was destined very shortly to become the most important in Maryland, seems never to have felt the trammels of tobacco currency.

Thus by 1765 the use of tobacco as money was clearly decadent. Important courses of trade were coming into existence on a money basis, and old tobacco regions were giving up not only the monetary circulation, but even the culture of the plant. Only the central part of the Eastern Shore and the tide-water regions of the Western Shore were still transacting their business in terms of tobacco.

CHAPTER IV

Barter

In colonial Maryland the same conditions that made for the rise of tobacco currency favored also exchange by barter. The scarcity of coin was so great that all sorts of substitutes were welcomed. Moreover, much of the trade was of a very direct nature, all the manufactures passing in one direction and all the produce of the soil passing in the other, and it was a very simple matter for merchant and planter to exchange directly without the intervention of any circulating medium. As has been shown, the circulation of tobacco was to a large extent merely barter rather than real circulation. In localities and in individual cases where the planter had crops other than tobacco, those other products were frequently traded off very much in the same way as tobacco was, and constituted a sort of barter currency.

Of the prevalence of barter in Maryland there is abundant evidence. Advertisements in the newspapers mentioned the produce that would be accepted in exchange. In 1729 Daniel Dulany advertised land to be let out with the rent payable in tobacco, corn, wheat, or other produce.[1] At another time a house and lot were advertised for sale for ready money, tobacco, wheat, corn, or good bills.[2] Somewhat more general cases were those of Patrick Creagh, a merchant of Annapolis, who advertised his goods for sale for bills, tobacco, current money, good clean barley at three shillings three pence per bushel, wheat at four shillings, corn at two shillings three pence, flour, or ship-bread,[3] and George

[1] Maryland Gazette, April 8, 1729.
[2] Ibid., December 16, 1747.
[3] Ibid., August 10, 1748.

Rock, an iron manufacturer, who advertised bar iron for ready money or for wheat at the highest market price.[4]

More significant even than advertisements are the many instances of barter shown in private accounts.[5] Rarely does an account in the tobacco sections show a credit in any medium except tobacco, but in those regions where tobacco culture was passing away all sorts of farm produce appear as credits on merchants' accounts against planters. A typical account had the following credits: 1 pistole, 2 bushels of wheat, 108 pounds of beef, and 2 fat hogs weighing 225 pounds.[6] In Dorchester County staves often appear in accounts. Two Somerset County bills carry an agreement "to be paid in Cash or pork @ 10 S. P hundred" and "to be discharged by agreement in Virginia money or bbl. pork @ 40/."[7] Occasionally accounts were kept entirely in terms of wheat or other barter commodities.[8] The frequency of such entries attests the importance of barter in the business of the day.

Barter currency was not confined to the simple rôle of open accounts, but figured also in the more complicated transactions involving notes, bonds, and contracts. A Baltimore County contract of sale of seventy-four acres of land calls for the payment of five thousand pounds of tobacco at one penny per pound and £40 currency in Indian corn at twenty pence per bushel.[9] For a debt which he owed of £20 currency Nehemiah Darmon, of Somerset, obligated himself to pay Henry Lowe 2946 West India hogshead staves

[4] Maryland Gazette, June 10, 1746. The Ridgely Papers also show a letter, written in 1766, which speaks of bargaining for iron in exchange for goods.

[5] Note the assumption of barter in the following: "I would buy pork to barrel, but that I fear the flesh will not be good on account of the abundance of acorns. I mean I would buy with goods" (Callister MSS., November 18, 1760).

[6] Cecil County, Court Records, August, 1723, Liber SK No. 3, p. 24.

[7] Somerset County, Court Records, June, 1735, Liber XA No. Y, p. 48; June, 1749, Liber P, p. 259.

[8] Kent County, Court Records, March, 1748, Liber JS No. 34, p. 469; November, 1749, Liber JS No. 35, p. 323.

[9] Baltimore County, Court Records, March, 1723/4, Liber JS No. TW 3, p. 223.

delivered at Chapel Landing on Wicomico Creek.[10] Shingles, cider, corn, pork, and wheat are all to be found as the media of payment in promissory notes.[11] These contracts were recognized by the courts, and judgments for commodities are occasionally mentioned.[12]

The legislature of the colony recognized the use of barter currency only in certain exceptional cases. During the early years of the eighteenth century the culture of flax and hemp was being encouraged in the hope that they might develop into staples. Consequently, in order to give these products all the favors that tobacco enjoyed, it was enacted in 1706 that properly cured flax and hemp at six pence and nine pence per pound respectively should be legal tender for one fourth of any debt.[13] In 1724 this act was amended in some details. The debates at that time show the Upper House taking special care to protect the interests of office-holders and merchants against losses which might ensue.[14] The law remained in force throughout the colonial period, but it is impossible to know how often it was put into practical use.

In one other case the assembly gave legal-tender qualities to commodities other than tobacco. In the code of 1715 there was an act making it legal for those who lacked specie to pay all debts and judgments, except those due to British merchants and those arising from foreign bills of exchange, in the following commodities if produced within the colony: beef and bacon at 1½d. per pound, pork at 2d., dried beef at 3d., wheat and peas at 3s. 6d. per bushel, oats and barley at

[10] Somerset County, Court Records, November, 1756, Liber 1754–1756, p. 225.

[11] Somerset County, Court Records, August, 1756, Liber 1754–1756, p. 212; March, 1748/9, Liber P, p. 226; March, 1750/1, Liber 1749–1751, p. 263; Baltimore County, Court Records, June, 1725, Liber JS No. TW 4, p. 249; Dorchester County, Court Records, August, 1733, p. 22; Cecil County, Court Records, November, 1742, p. 160; Baltimore County, Administration Accounts, 1759, Liber D4, p. 280.

[12] Cecil County, Court Records, March, 1760, Liber FK No 3, p. 257; Baltimore County, Court Records, November, 1733, Liber JWS No. 9, p. 155; March, 1718/9, Liber JS No. C, p. 106.

[13] Bacon, 1706, ch. 11; Parks, p. 47.

[14] Lower House Journal, October 26, 31, November 3, 4, 1724; Bacon, 1724, ch. 12.

2s., Indian corn at 20d., and beans at 2s. 6d. In the payment of tobacco debts tobacco was to be rated at one penny per pound.[15] Though the wording of this act seems to imply that the debtor might be sent to prison before these articles would have to be accepted by the creditor, yet the act does not specifically state such a condition, and the effect was to make these products practically legal tender. In 1722 the law was changed so as to require imprisonment of the debtor before acceptance of the commodities. The price of oats was raised to two shillings, debts for borrowed money were excluded, and the debtor was required to make oath that he had not, and could not procure, specie with which to pay his debt.[16] This act continued with a slight intermission until 1750. Although under it a creditor might be forced to accept commodities instead of money, yet the debtor was so restricted that the commodities can hardly be said to have been legal tender. Legislation of this character does not seem to have interested the assembly very much in later years, and renewals were always made with little discussion. It is possible that the act was working so satisfactorily that no changes were deemed necessary, but it seems much more probable that the increase of the money supply made the act of less importance to the colony.

In conclusion, transactions by barter seem to have been prevalent in Maryland and to have persisted throughout the colonial period. Between planters, or between planters and local merchants the arrangement appears to have been fairly satisfactory, but in dealings with foreign merchants, and with officials whose fees arose in small amounts all over the province, and also in the payment of taxes the system entirely broke down. In the laws requiring the acceptance of barter commodities an exception was always made in favor of foreign merchants.

[15] Calvert Papers, MS., No. 823.
[16] Parks, p. 234.

CHAPTER V

Paper Currency

Paper money was one of the most prevalent economic phenomena in the history of British America. The scarcity of coin seen in every new country was common to the colonies, and the issue of paper money was their remedy. Fiat money, moreover, was a novelty in the eighteenth century, and its principles and shortcomings were not well understood. From the first issue of paper by Massachusetts in 1690 to the repudiation of the Revolutionary continental currency, the American provinces show a long series of failures in the use of this alluring device. Every mainland British colony and several of the islands participated. Maryland was comparatively late in issuing a paper currency, and, therefore, with the accumulated experience of the other colonies to guide her, she was able to conduct one of the most successful of all these experiments.

In Maryland there were other reasons besides the mere lack of coin that induced the assembly to emit paper money, chief among which were the defects of tobacco currency. Tobacco money, as we have seen, was very poorly distributed among the different classes and localities, was too bulky to be handled, fluctuated in supply with the different seasons, and varied sharply in value. The necessity of providing a supply of tobacco to meet the public demands forced many persons to continue the cultivation of the plant long after conditions made dependence on some other crop desirable. Moreover, the tobacco industry was at an extremely low ebb, and it seemed impossible, as long as tobacco remained a money, to regulate the industry without doing injustice to some of those whose contracts called for tobacco payments. One tobacco bill after another had failed because of this difficulty. The imperative need of efficient regulation of

the tobacco industry was the most important single reason why Maryland began to issue a paper currency.

Many felt, also, that the use of tobacco money was in some way to blame for the industrial backwardness of the colony, and that a well-supported paper currency would stimulate trade. In this strain Benedict Leonard Calvert wrote in 1729: "Money, or somewhat to answer its Current Effects in trade, is Certainly much wanted here; wee may Barter between one Another our Staple Tobacco, but to Carry on and Inlarge our trade Abroad, & to Invite Artificers, Shipwrights &c to settle amongst us, another species of Currency in payments Seems very desireable; New York, Pennsylvania &c are vastly improved in foreign Trade, as well as home Manufactures, by a Paper Currency; it is that, in lieu of Specific Coin, which Seems to give life, Expedition and Ease to trade and Commerce, this has drawn them into Communitys or Towns, they are daily growing more and more populous, and are Supposed to Increase as proportionably in Credit and riches. . . . When our Tobacco then is Sold at home, whatever is the produce of it, returns not to us in Money, But is either converted into Apparell, Tools or other Conveniences of life; or Else remains there, as it were Dead to us, for where the Staple of a Country, upon foreign Sale, yields no return of Money, to Circulate in Such a Country the want of Such Circulation must leave it almost Inanimate; it is like a Dead Palsie on the publick, Since it can never Exert its members or faculties, in the pursuit of trade and Commerce; An interesting Country and growing people, as this is, and a Staple, at best Uncertain, but of late visibly declining in Value, as Tobacco is; invites the people here to look about and enlarge their foundation in trade, to the which money or Some Currency, which may answer the same uses, is necessary, and the Expedient to Such End, is a Paper Currency."[1]

Both in 1727 and 1728 bills for the establishment of a

[1] Calvert Papers, No. 2, pp. 69–71. A writer in the Maryland Gazette of July 22, 1729, argues that a plentiful supply of money will make interest low, and low interest will force capitalists to

paper currency were considered by the Lower House,[2] but it was not until 1729 that the movement became really serious. The Maryland Gazette, established about that time in Annapolis, furnished a medium through which was carried on a public discussion of the matter, and in this way the idea obtained a popularity never before enjoyed by any proposed piece of legislation in Maryland. The letter from the London tobacco merchants to the people of Maryland, which advised that the use of tobacco as money be given up, was published in April, and probably helped to arouse interest in the subject. In July several other letters appeared. About this time, too was circulated the poem, Sotweed Redivivus, which also advocated a paper currency.[3]

---

invest in lands and trade rather than lend out their money at interest. Therefore, a plentiful money supply will lead to high land values and brisk trade.

[2] Lower House Journal, October 25, 1727; November 1, 1728.

[3] One passage runs as follows:—

"For Remedy, both Houses joyn,
To settle here a Current Coin,
Without Exception, such as may,
Our Publick Dues and Clergy pay.
Grown Wordly wise, unwilling are,
To be put off with Neighbours Fare;
Hold Predial Tythes, secure in Bags,
Better than Paper made of Rags:
The Scribes likewise, and Pharisees,
Infected with the same Disease,
On Paper Money look a squint,
Care not to be made Fools in Print.
Thus what is meant for Publick Good,
I find to be misunderstood,
And taken in the worser Sense,
By those, care not for Paper Pence.
And tho' this Scheme should prove in vain,
The Case to me seems very plain;
Said I to Planter standing by,
And was for Paper Currency:
It's money, be it what it will.
In Tan-Pit coin'd, or Paper-Mill,
That must the hungry Belly fill,
When summon'd to attend the Court,
Held at the Magisterial Port."

An amusing objection to paper money is put into the mouth of one of the opposition:—

"Alledging, Planters, when in drink,
Wou'd light their Pipes with Paper Chink;
And knowing not to read, might be
Impos'd on, by such currency."

—Pp. 39, 42.

When the assembly met in July, the movement was still vigorous, and the emission of paper money became one of the chief issues of the session. The Lower House passed a bill to emit £24,000 currency in bills which should be legal tender for public levies, fees, and even sterling debts.[4] To this extensive proposition the Upper House refused to agree; but the issue was not fought out between the two houses at this time, as another difficulty had arisen on which there could be no compromise. The Upper House—as was necessary, according to the royal instructions, in all important matters affecting trade—inserted an amendment suspending enforcement of the bill until the proprietor's assent had been received. Now, the Lower House just at this time was engaged in an effort to break down the proprietor's right of veto, and to suspend the enforcement of this act would have been practically an abandonment of its position on the veto. As this was impossible, the paper-money bill was allowed to drop.[5]

During the next three years the currency question was a burning issue. In 1730, apparently without much discussion, the paper-money bill passed the Lower House,[6] but was defeated in the Upper.[7] Whether the difficulty was over the payment of fees and sterling debts in paper or was a continuation of the fight of 1729 we cannot tell. By 1731, however, the Lower House seemed rather docile. It broached the subject by proposing to the Upper House that a joint committee should draft an acceptable bill.[8] After long debates an act was finally passed. It provided for the emission of £36,000 currency in notes, and settled all disputed points agreeably to the wishes of the Upper House. Fees to lawyers only were payable in paper, and the act was not to go into effect until the receipt of the proprietor's

[4] Upper House Journal, Lower House Journal, August 4, 1729.
[5] Calvert Papers, No. 2, p. 69.
[6] Lower House Journal, May 30, 1730.
[7] Upper House Journal, June 10, 1730.
[8] Ibid., July 15, 1731.

assent.[9] This assent was never received, and the act remained void.[10] In 1732 the whole matter was fought out again. At one time the contest became so heated that the assembly was in serious danger of disbanding.[11] The Lower House agreed that no fees—not even those to lawyers—should be payable in the paper, and, after a short insistence, yielded also on the question of suspending enforcement until the proprietor should have given his assent and procured that of the crown. Even after such sacrifices, a comparatively trivial point—the right of the governor to appoint the commissioners to carry out the act—was allowed to defeat the project.[12] Thus was the plan frustrated for six consecutive years.

In 1733 conditions were more favorable for the passage of a paper-money act. The proprietor was in the colony, and seems to have exerted himself to bring the official classes to accept such a measure. At the very beginning of the debate in the assembly a statement was received from the ministers in which they agreed to accept their salaries in paper provided no reduction was made in the amount.[13] A bill to emit £72,000 in notes was introduced into the Lower House on March 27, and passed to the Upper House on March 29. On the same day a conference committee was appointed, which reported on April 2, and on April 5 the act was passed to final engrossment. In the conference committee one important change was made. The amount of paper money to be issued according to the several bills of the preceding four years had been steadily increasing. The bills of 1729 and 1730 called for only £24,000 currency, that of 1731 was for £36,000, and that of 1732, for £72,000. The original bill of 1733 was also for £72,000; but in the conference committee, in order to provide a greater sum to be

[9] Lower House Journal, August 21, 1731; Laws of Maryland, 1731, pp. 5–16.
[10] Bacon, 1731, ch. 21.
[11] American Weekly Mercury, August 10, 1732.
[12] Lower House Journal, July 26, 27, 29, 31, August 2, 4, 7, 8, 1732.
[13] Upper House Journal, March 30, 1733.

lent out at interest and thus help pay the expenses of the act, the amount was raised to £90,000 currency.

The treatment accorded to officers' fees and ministers' salaries during the debates is of some importance. Early in the session the clergy had made known their consent to a change of their salaries from tobacco to paper provided no change was made in the amount. The first draft of the bill also included a provision making officers' fees payable in paper. But a disagreement seems to have arisen over giving the debtor the option of payment in either tobacco or paper, as the conferees particularly condemned this plan. In the final act it was settled that officers' fees, clergymen's salaries, and all special assessments for the building or repairing of churches should not be payable in paper money. Although subsequent events show that the Lower House was anxious to provide the option of paying these latter obligations in either paper or tobacco, yet the governor repeatedly charged that house with having defeated the project at this time. Nowhere is the position of either house on this matter clearly set forth. The best explanation seems to be that the Upper House was willing to risk the chance that paper money would maintain its value if all fees and dues were payable in it alone, and stood ready to abolish tobacco payments altogether, but was not willing to permit fees always to be paid in the cheaper medium; the Lower House, on the other hand, feared that, if fees were accepted only in paper, scarcity of this currency might cause hardship, or an advance in its value might increase the fees, which were already too large. Thus was defeated one of the chief objects for which paper currency had been issued, as it was still necessary to produce tobacco in order to meet public obligations, and all campaigns for regulation of tobacco had still to be fought out in the heat of the controversy over officers' fees.[14]

[14] The preamble of the law rehearses the reasons for its enactment: "Whereas the most probable means to enable the people to discharge their taxes, and other engagements now payable in tobacco, otherwise; and to destroy such ordinary and unmerchantable to-

The main provisions of the act of 1733 were as follows: Paper bills should be printed for £90,000 currency as established by the proclamation of Queen Anne (£133⅓ currency equaled £100 sterling). These bills should be placed in an iron chest with three keys, one key being kept by each of the three commissioners appointed to manage the currency. At the next county court, after the bills had been prepared and signed, thirty shillings was to be paid to every taxable in each county. The remainder of the money might be lent out by the commissioners at four per cent interest on the security of plate, leaseholds, or real estate. All notes remaining in the office after the expiration of one year might be invested in good bills of exchange and remitted to London along with the other money to redeem the paper. Redemption was provided for by the levy of one shilling three pence sterling on every hogshead or cask of tobacco exported, which money was to be sent to London and invested in stock of the Bank of England. To take charge of the London end of the business three tobacco merchants, Hyde, Hunt, and Cruickshank, were named in the act, and authority was granted to the lord proprietor to supervise their actions, to remove any one of them in case of necessity, and to appoint a successor should any one withdraw from the position. Between September 29, 1748, and March 29, 1749, all persons having paper notes in their possession should bring them to the office of the commissioners and receive back two thirds of their value in new notes and one third in sterling bills of exchange at the rate of £133⅓ paper money for £100 sterling. These bills of exchange were to be met by sale of the bank-stock purchased by the tobacco duty. Between the same days of 1764 and 1765 the two thirds of the paper remaining in circulation were to be redeemed in the same way. During their circulation these notes were to be payable for

bacco, which serve only to clog the markets, and depreciate the best sorts of that commodity, as well as to put the people in a condition to carry on the tobacco trade, to the advantage of Great Britain, and this province, is to establish a Paper Currency, or bills of credit, upon a sinking fund."

all contracts for current money made after the publication of the act; for lawyers' fees, if paid immediately after the conclusion of the case; for all levies, except those for the ministers' salaries and for building churches; and for all customs duties, except those payable to the proprietor or crown and those levied by the act itself. Such of these payments as were levied in tobacco were to be discharged in paper money at ten shillings per hundred pounds, and such as were levied in money were to be discharged at the rate of £133⅓ paper bills for £100 sterling.

Two provisions of the act were somewhat foreign to its general nature. Three thousand pounds in bills was appropriated for the erection of a mansion for the governor, and £6500 was appropriated for the erection and repair of gaols and other public buildings. The second irrelevant provision was that for every taxable engaged in the production of tobacco one hundred and fifty pounds of the worst tobacco should be burned each year.[15]

The history of the paper-money issue falls into two clearly distinguished periods: from 1734 to the first redemption in 1748–1749, and from 1749 to the final redemption in 1764–1765. The act was put into execution at once. The London agents had a paper manufactured under their personal supervision, and the bills were struck from engraved copper plates.[16] During the winter of 1733–1734 everything was prepared, and in the June courts, 1734, the thirty shillings per taxable was distributed.[17] A report to the assembly of the following April shows that £47,923½ was sent to the counties for distribution.[18] Several faults may be found

[15] Acts of 1733; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 5: 1269), T 23; Bacon, 1733. ch. 6.

[16] Account of London agents, Scharf Papers, box 17 (Maryland Historical Society).

[17] Dorchester County, Court Records, June, 1734, p. 411; Baltimore County, Court Records, November, 1733, Liber JWS No. 9, p. 131; Proprietary Papers, vol. iv, nos. 26, 27, 28, Maryland Historical Society.

[18] Not all of this was distributed. In 1736 the auditing committee complained that "although a greater sum of money has been transmitted to the justices of the several counties than was demanded from them by the inhabitants for the taxables in the said counties,

with this method of distribution. It imposed upon the future a burden of taxation the benefits of which would long since have passed away. The next generation was taxed that their fathers might enjoy thirty shillings for which they had not labored.[19] Daniel Dulany also attributed to this method of distribution much of the depreciation which the bills suffered. "The old Proverb, Lightly come, Lightly go," he wrote, "was strongly exemplifyed."[20]

During the course of the first ten months £7374 was lent on security. About £1500 was spent in sundry ways, making a total of about £56,000 that went into circulation during the first year after the opening of the office. The normal way, according to the act, for the remaining £34,000 to get into circulation was by means of loans and administrative expenses. Until March 22, 1736/7, however, only £16,160 had been lent out, and £3054 had been paid back on interest and principal. With all other receipts and expenditures considered, there still remained £20,131 to be put into circulation.[21]

Partly in order to get this balance into circulation, and partly to ease the burden of immediate payment of appropriations, there followed a series of acts calling upon the commissioners of paper currency to pay the expenses of government. By the paper money act itself £9500 had been appropriated for erection and repair of public buildings. By acts of 1735, 1736, and 1737 the public expenses of these years were discharged out of the paper money.[22] By these

yet there has not been any money returned by the said justices" (Upper House Journal, April 6, 1736). Some £309 was returned before 1748, but in that year a letter was sent to all delinquents (Lower House Journal, June 11, 1748; Maryland Historical Society, Red Book No. 2, 17). As late as 1758 the clerk was ordered to write to the justices of Cecil County for an accounting (Lower House Journal, May 6, 1758).

[19] Essay Concerning Silver and Paper Currencies, in Prince Society Reprints, vol. iii, p. 228.

[20] Calvert Papers, No. 2, p. 245.

[21] Upper House Journal, May 26, 1737.

[22] Bacon, 1735, ch. 24; 1737, ch. 18; Acts of 1735, p. 24. The purposes of the assembly in these acts are stated to be, first, prompt payment of the public debts, and, second, a greater diffusion of the bills (Lower House Journal, May 23, 1737).

three acts £9403 was put in circulation. The expeditions against the West Indies in 1740 and against Canada in 1746 gave an opportunity for the assembly to float still more bills; and at the same time, the existence of the paper money enabled the province to meet these contingencies without undue effort. Altogether, the circulation of bills was increased about £12,000 by appropriations for the two expeditions.[23] By means of these public loans to the province the balance of paper money remaining in the office was reduced from £20,131 in March, 1736, to £11,464 in April, 1740, and to £2851 in April, 1747.[24]

Scarcely had the paper money entered circulation when it began to depreciate rapidly in value. The inventories show that by 1739 exchange had risen as high as £200 paper to £133⅓ gold and silver, or £100 sterling. This rate became generally accepted, and until about 1750 almost all estates are inventoried in money at this value. Commercially, there was a little greater fluctuation. At times £250 paper was asked for £100 sterling.[25] A complaint is heard in Baltimore County in 1742 of £300 being demanded.[26] Henry Callister's report of current exchange to his principals in London shows that in 1746 and 1747 exchange varied be-

[23] Bacon, 1746, chs. 1, 10; 1740, ch. 2; Acts of 1740 (First Session), p. 1; Acts of 1740 (Second Session), p. 1.

[24] Throughout this chapter unnoted figures are drawn from the reports of the auditing committees of the assembly. These reports are to be found in the journals on the following dates: April 19, 1735; April 6, 1736; May 26, 1737; June 9, 1739; May 12, 1740; June 13, 1741; October 26, 1742; May 29, 1744; September 26, 1745; July 11, 1747; June 8, 1748; May 28, 1750; June 7, 1751; November 12, 1753; May 20, 1754; March 10, 1755; March 5, October 8, 1756; April 28, 1757; May 8, 1758; April 21, 1761; April 24, 1762; October 14, November 24, 1763; July 17, 1764; November 29, 1765.

[25] Douglass, A Discourse Concerning the Currencies of the British Plantations in America, p. 17; Douglass, A Summary, Historical and Political, of the First Planting . . . of the British Settlements in North-America, vol. ii, p. 365.

[26] "Of 5/ currency and £5:1:5 sterl. for goods due from the deceased to James Rigbie as per his acct. proved, and paid by this accountant Margaret as per receipt aᵇ which sterling sum this accountant discharged in currency @ 300ᵖᶜ exchange and although she endeavoured to her utmost to pay in an easier Manner, she could not do it as per this accountant's oath . . . £15:9:4" (Administration Accounts, Liber C No. 3, p. 295).

tween £200 and £230 paper for £100 sterling.[27] It may be concluded, therefore, that during the first twelve or fifteen years of its circulation paper money passed at a little above £200 paper for £100 sterling,—a depreciation of 33⅓ per cent of its face value.[28]

A contemporary writer on currency mentions and explains this depreciation as follows: "They [Marylanders] then [1734] emitted 90000 l. in Bills, which tho' payable to the Possessors in Sterling well secured, the Sum being too large, and the Periods too long, viz. three partial payments of 15 Years Periods each;[29] *Exchange immediately rose from 33 to 100 and 150 per Cent.*"[30] It is always difficult to determine just how much currency a country should have, but from the best indications £90,000 does not seem to have been very excessive, and the £70,000 or £80,000 in circulation toward the end of the period does not seem to have been excessive at all. Exchange fluctuations show that some coin was displaced at the first issue of paper. Even before the paper had reached circulation, bills of exchange rose so rapidly that it was feared that the proprietor's income would have to be transmitted in bullion instead of bills.[31] Yet evidences are very strong that in general during the years of the paper currency, coin was increasing rather than diminishing in the province.[32] So far was the colony from

[27] The ledger of Robert Morris, now among the court records of Dorchester County, shows one hundred per cent exchange between sterling and paper.

[28] In March, 1735, the innkeepers of Prince George's County declared "that the paper Money (the only currency at this Time) is so Sunk in its Value of late and wines & other Liquors so Much advanced in their Prices that Your Petrs Cannot Carry on their Business according to the Present Rates as last Assest by this Worshipful Court without Suffering very great Loss thereby" (Court Record, Liber W, p. 41). At the August court a slight advance was made in six of the wine rates (ibid., p. 158).

[29] This is a mistake. There were two periods, one of fifteen and one of sixteen years.

[30] Douglass, A Discourse Concerning the Currencies of the British Plantations in America, p. 17.

[31] Calvert Papers, MS., No. 295½, p. 66.

[32] See page 20.

being stripped of its coin that Marylanders traveling in New England spoke of the scarcity of coin in those colonies.[33]

Another strong indication that excessive issue was not the only cause of depreciation is the fact that when in 1756 about £34,000 additional was issued, the exchange between paper and sterling does not seem to have been seriously affected. Moreover, there could have been no excess of paper in circulation about 1760, for at that time all sources agree that paper had almost completely disappeared. The best conclusion, perhaps, is that at first there was general lack of confidence in the security of the paper. So many colonies had issued paper with disastrous results that people could not believe that this issue would be exceptional. This feeling, taken in conjunction with a slight overissue, accounts for the initial depreciation. In the later years, however, after the currency had been somewhat diminished and the business needs of the colony had somewhat increased, there was no excess whatever in the issue. Moreover, the first redemption of one third of the bills and the flourishing state of the funds in London gave proof of perfect security. Although under these conditions one would expect the money to pass at par, yet the habit of discounting the value of paper was so fixed in the public mind that bills still passed current for less than their intrinsic worth.[34]

A reason assigned at the time for the depreciation of the currency, and one which very likely did affect its value, was that paper money was not legal tender for officers' fees or parish levies. We have already noticed that in drawing the bill of 1733 the Lower House deliberately refused, probably because of a disagreement as to rates, to make the notes payable for officers' and ministers' fees. Just enough of the public dues were thus left not payable in paper to

[33] Dr. Alexander Hamilton of Annapolis, writing in Rhode Island, said, "This is the only part ever I knew where gold and silver coin is not commonly current" (Hamilton's Itinerarium, p. 180). It is not clear whether he refers to Rhode Island alone or to all New England.

[34] This condition made possible the speculations of which there was so much complaint.

hinder its usefulness to some extent and to cast a shadow of suspicion over it in general.

The struggle of the session of 1733 on this subject was continued into the succeeding years. Excessive fees for officers and clergymen formed one of the most serious grievances of the colony, and every possible opportunity was seized by the Lower House to fight the question out. The change from a tobacco to a money basis offered an excellent opportunity to make the fees payable in either tobacco or paper, that the people might always have the advantage of paying in the cheaper commodity. The Upper House, however, represented the fee-receiving classes, and was the stronghold of privilege. It firmly refused to accept any bill that did not make the fees payable in one medium only, or any bill that tended under any pretext to reduce the fees.

Many bills were lost because of this disagreement between the two houses of assembly. In 1736 the Upper House professed itself willing to do anything to maintain the credit of the bills, but refused to accept a Lower House bill making officers' fees payable in paper. A conference committee on the subject avoided the point at issue, and reported back a novel scheme to enable the people to pay quit-rents in paper. When the Lower House further suggested that all levies be made payable in either paper or tobacco, the Upper House again refused to agree to an alternative payment; and the Lower House, fearing that "the people will be under great Difficulties if they are obliged to pay their Levies in money only," let the plan drop.[35] In 1737, probably because of the hopelessness of the situation, the Lower House refused to consider a bill for altering the method of payment of the officers' and ministers' fees.[36] In 1739 the governor in his opening address to the assembly recommended that these fees be made payable in paper at ten shillings per hundred pounds of tobacco, but even he, the leader of the government

[35] Upper House Journal, March 31, April 3, 1736; Lower House Journal, April 5, 7, 8, 22, 1736.
[36] Lower House Journal, May 6, 1737.

party, could not say how the clergy would look upon such a change.[37]

In making a reply, both houses avoided the general question, but suggested that some special action be taken to relieve the settlers on the frontier, who raised no tobacco, by making their dues payable in paper. The Lower House also complained bitterly of the amount of the fees, and wished that it "had not good Reason to be assured that the little Credit given by his Lordship's Officers to a Currency struck by his Lordship and the People here, on the best Security, has not been the Means in a great manner to depreciate the same." Nevertheless, it reiterated its intention not to yield in the matter, but rather "to let it take it's Chance on the Foundation whereon it now stands, which we are well assured must give it a due Credit in Time."[38] There were a few recriminations on both sides, but nothing further was done in the matter. So complete was the deadlock that after five or six years of fruitless debate the question was tacitly dropped, and the paper currency was left to maintain what credit it could in its partly efficient state.

It was not until the passage of the tobacco act of 1747 that the question of making fees and parish levies payable in paper was again taken up. By that act officers' fees in general were reduced when paid in inspected tobacco, and were also made payable in money at twelve shillings six

[37] Lower House Journal, May 1, 1739.

[38] Lower House Journal, Upper House Journal, May 4, 1739. The governor in answer to this address said: "I am obliged to you for acknowleging that you have good Reason to be assured, that the little Credit given by his Lordship's Officers to our Currency, *has not been the Means in a great manner to depreciate the same*, this is but doing them Justice; Our Paper Money not paying the Clergy and Officers, being the chief, if not only Reason of the present low State of it's Credit: But however that may be, I cannot but be concerned to find anything weigh with the Representatives of the good People of *Maryland*, to let it take its Chance on the Foundation whereon it now stands, especially as you seem to acknowledge, that it is of the utmost Importance to this Province to Circulate and give a Credit to our Currency . . .: What Evils you apprehend in raising the Value of our Paper Money, I must own I cannot imagine; but should be glad that they were to be fairly examined, being perswaded, that if your Apprehensions should be found to be ill grounded, you would readily quiet them for the Good of the Province" (Lower House Journal, May 10, 1739).

pence per hundred pounds. The forty pounds of tobacco per poll for the clergy was also reduced to thirty when paid in tobacco, but along with special assessments for the building of churches it was made payable in money for those who took oath that they produced no tobacco. This added greatly to the usefulness of paper, and for the first time made it possible for bills to accomplish one of the chief purposes for which they had been issued by completely relieving the inhabitants of the necessity of producing tobacco.

Another difficulty in this connection arose with the sheriffs. Since, by the paper-money act, county and provincial levies were payable in either tobacco or paper, it followed that the sheriffs received both currencies in their collections, and they were thus able, by paying an undue proportion of accounts in the cheaper medium, to hold back as illegal profit for themselves the excess of value they had received in the better currency. Furthermore, they often resorted to various schemes to prevent the payment of levies in money when tobacco happened to be the more valuable.[39] In 1735 the assembly sought to remedy this abuse by changing the terms in which all levies and public payments were made from the time-honored tobacco to a money basis.[40] This, however, proved to be merely a change of names, for the real difficulty continued to exist. In 1736 another act was passed against the practice, but it was not until 1742 that a satisfactory law was devised. By this statute sheriffs were required to make out sworn statements of the amount of money and tobacco received from each taxable; these statements were to be conspicuously posted at the courthouses, and each payment made by a sheriff must be in the same proportions of money and tobacco that the statement showed that sheriff to have collected. This act seems effectively to have remedied the difficulty, for it was continued from time to time as long as the paper money was in circulation.[41]

[39] Lower House Journal, April 2, 5, 7, 1736.
[40] Acts of 1735, p. 2.
[41] Bacon, 1742, ch. 7.

Whatever may have been the cause of the depreciation of the paper currency,—excessive issue, lack of confidence, or contempt on the part of the officials,—the management and growth of the sinking fund for redemption were only such as would furnish the greatest security. In accordance with the paper-money act a central office was established in Annapolis with a secretary and three commissioners. At almost every session of the assembly during the first fifteen years an auditing committee was appointed to go over the books of the commission and to make certain that its affairs were in proper order. The act of 1733 required that loans be made only on the best security, and as far as can be told from the reports of the several auditing committees not a shilling was lost on loans throughout this period. The amount of money lent out at interest during the first eleven months was £7374, but the loans gradually diminished to about £1500 per year after 1740. The total amount of borrowed money in circulation reached £19,727 in 1739, gradually dropping to between £16,000 and £17,000. Down to 1748 the interest paid on loans aggregated £5663.

To take charge of the paper-money affairs in London the act of 1733 designated three English merchants, Hyde, Hunt, and Cruickshank, who had wide business relations in Maryland. About 1745 Hyde and Cruickshank both failed, and Lord Baltimore, by virtue of the power vested in him by the act, appointed as their successors Hanbury and Adams, two other London merchants in the Maryland trade.[42] These men seem to have performed faithfully the duties of receiving the money transmitted to them from Maryland and investing it in stock of the Bank of England, in which form it was held as a sinking fund for the paper. From time to time statements were sent to the Annapolis commissioners and the assembly. On one occasion only does there appear any doubt as to the accuracy of these statements and their agree-

[42] Upper House Journal, July 2, 1746; Calvert Papers, MS., No. 1136.

ment with the accounts of the commissioners and the naval officers.[43]

The money transmitted to the London trustees was raised principally by the duty of fifteen pence sterling per hogshead on all tobacco exported. With the tobacco crop amounting to nearly thirty thousand hogsheads per year, this tax alone would have been sufficient to sink the bills at the appointed times; but when the province began borrowing so largely from the paper-money office to meet the expenses of government, it became necessary to provide other funds to repay these loans. Several loans, such as that for the erection and repair of public buildings, which is in the act of 1733, and an act for the relief of Charles Sewell,[44] had no provision for their repayment. The acts of 1735, 1736, and 1737, which provided that part of the current expenses of those years should be paid in paper, declared that the regular levies should be collected by the sheriffs and paid over to the paper-money commissioners.[45] So, also, the appropriation of 1740 for the encouragement of enlistments was to be repaid from the public levies of 1741 and 1742.[46] The act for the transportation of troops to the West Indies in 1740 showed a new principle in that it abandoned the custom of laying special assessments in the general levy and appropriated specific taxes and duties for the repayment of the loan. For this purpose the assembly set aside one half of the import duties on liquors, negroes, and Irish servants, which had previously been used to help to pay the running expenses of the colony, and levied a new license tax on ordinaries, or public houses, amounting to £5 for those in Annapolis and fifty shillings for those in the counties.[47] The latter tax proved so productive that in 1746 import duties were abandoned, and the license tax on ordinaries

[43] Upper House Journal, June 4, 1744.
[44] Bacon, 1741, ch. 12.
[45] Ibid., 1735, ch. 24; 1737, ch. 18; Acts of 1735, p. 24; and reports of the auditing committees.
[46] Acts of 1740 (April session), p. 1.
[47] Acts of 1740 (July session), p. 1.

was continued to pay back the new loans for the Canadian expedition.[48]

These provisions were rarely sufficient to repay all the money borrowed. The loans in the years 1735, 1736, and 1737 to pay current expenses showed a deficit of £3388 after the public levies had been turned in to the commissioners. The money paid for bounties to encourage enlistments in the Cuban expedition of 1740 was not repaid by £686. The appropriation for the transportation of troops in that campaign, however, was overpaid by £1010, which was turned over to the Canadian expedition of 1746. The productive license tax on ordinaries was in 1749 still being paid toward the loan for the latter expedition.[49] Altogether, omitting all account of the Canadian expedition loan, which was still in process of repayment, the paper money had by 1749 contributed more than £15,000 currency toward the expenses of the colony.[50]

Notwithstanding these unprofitable dealings with the government, the revenues provided for sinking the paper money were more than sufficient to bear the burden. Between 1734 and 1749 there were sent to the London agents bills of exchange for £28,907 sterling. This money was invested in bank-stock at premiums varying from 119 to 149¼. The semiannual dividends on stock amounted to £7697 sterling. The total amount of the fund on January 1, 1749, was £190. 17s. sterling in cash and £24,000 in bank-stock, which had cost £32,977. 10s. sterling,[51] a total currency value of £44,223.[52] Moreover, there was due the currency commission at this time £17,182 currency from well-secured private loans. This makes a grand total of £61,405 cur-

[48] Bacon, 1746, chs. 1, 10.

[49] Lower House Journal, May 20, 1754; March 10, 1755.

[50] For public buildings and county gaols in accordance with act of 1733 ..... £11,567
To Charles Sewell for Indian lands..... 605
Balance unpaid on the various loans..... 3,064
Total £15,236

[51] Scharf Papers, box 17.

[52] One hundred pounds sterling was equal to £133⅓ currency.

rency, which in fifteen years had become available for sinking the £90,000 currency issued. In other words, in half the time the issue was to run more than two thirds of the sinking fund had been completed. Such was the condition of the paper currency when the time arrived for retiring £30,000 of the bills.

According to the act of 1733, between September 29, 1748, and March 29, 1749, one third of the money issued was to be redeemed in sterling bills at the rate of £133⅓ paper to £100 sterling. Holders of notes were to bring them to the office in Annapolis and to receive back one third in bills and two thirds in notes of a new series. Thus, in order to have one third redeemed it was necessary to produce the other two thirds.

As the time for redemption approached, the first effect noticeable was a sharp rise in the value of paper. On August 6, 1748, Henry Callister wrote: "Paper Money has risen in value on accot. of the approaching Sale [?] of ⅓ sinking this year & Ex^a. has fallen in 10 Weeks time from 130 to 75% our paper mony is now as good as gold Currency (for whoever wants to exch^a. ⅓ must produce the ⅔ or the whole at the office wherefore it is hoarded up and made scarce) by next May I expect to see it down again to 150." In order to get paper to redeem at its full face value, merchants collected their currency debts as closely as possible, and cut the prices of their goods to all who would pay in paper.[53] Unfortunately, some took advantage of the opportunity to squeeze their debtors. We are told that the rise of paper was caused "by such griping Cred^rs. as my Neighbours Mr. B——t [Bennett], who calling in bonds of such as had not the Mony to lay down, bonded them anew reducing the Paper to Gold Currency, & with some the whole Debt was so discounted with the Paper Mony almost on a foot with the Gold."[54]

During the period set the commissioners paid off and can-

[53] Several letters from Richard Bennett to his factor appear in Chancery Record, Liber DD No. 1, pp. 209, 210.
[54] Callister MSS., August 1, 1748.

celed £27,987. 12s. of the paper. This amount was paid by bills on the London agents to be met by sales of bank-stock. Unfortunately for the province, just at the time when this stock had to be marketed its value was at almost its lowest point. Though much had been bought as high as £1450 per £1000, the first sold brought only £1270. During the course of the year, however, the price gradually rose, and the last shares sold for more than £1350 per £1000. The average cost had been £1374 per £1000, and the average proceeds of the £12,000 sold was £1310. By this mishap the province lost £767 sterling.[55]

The redemption of 1748–1749 brought to a close the first period of the paper-currency issue. The second period, 1749–1764, was in many respects different from the first. The tobacco act of 1747 went into effect at almost the same time that the redemption occurred; this meant that just as the amount of bills in circulation was diminished one third, their usefulness was somewhat increased. Moreover, the growing population and trade of the province were constantly increasing the demand for a circulating medium. Confidence in the backing of the notes, also, was strengthened by the prompt cancelation of the first instalment. Thus, many reasons converged to increase the demand for paper currency and to raise its credit.

The new situation was reflected in the exchange value of paper. Previous to the period of redemption the exchange between paper and sterling had been about two to one. During the months while the redemption was in progress exchange had fallen to one and a third to one, or par value (£133⅓ currency equalled £100 sterling). Immediately after the abnormal conditions had ceased, exchange again declined. Habit, and ignorance of the real value of paper money seem to have carried it below a normal figure, but it soon began a gradual and steady rise.[56] For several years

[55] Scharf Papers, box 17.

[56] In 1750 a rate of £180 paper to £100 sterling is found (Baltimore County, Administrative Accounts, Liber C 3, p. 299; Callister MSS., July 9, 1751). See quotation on page 99.

persons seemed unable to adjust themselves to the new value of paper. Henry Callister wrote on July 9, 1751, as follows: "Our Currency (thô its' value be raised in Ex^a. with those who are sensible of its' worth) is not so much in Esteem with the less discerning, or greatest part of us, as the Sterling seems to be debased or depreciated by the Exchange & by the prodigious quantitys of Goods in the Country—for example The Planter seems to think no more of 25/ now than he did 7 or 8 years agoe & yet there's 60 pct. odds in the Exchange."[57] In 1752 exchange ranged from £155 to £160 paper to £100 sterling.[58] In June of that year the court of Frederick County, Virginia, "Ordered that maryland money be rated at the same value as pennsylvania money."[59]

By 1753 the exchange was down to £150 paper to £100 sterling, a depreciation of about eleven per cent of its nominal value. It fluctuated about this point for nearly a decade.[60] A Maryland writer, probably Governor Sharpe, wrote in 1764: "In the year 1749 the Difference between Maryland Currency and Bills of Exchange in London was at Eighty pcentum and it continued to lessen untill the End of the Year 1753 when Exchange was at £155 Currency for £100 Sterling, during the late War the Exchange was very fluctuating sometimes so high as Seventy pcentum and for sometime in 1759 so low as a hundred and Fifty for a hundred, but for these four years the Exchange here hath been gradually lowering as the time when Our Bills of Credit are

[57] Callister MSS.

[58] Ibid., April 5, August 7, 1752; Somerset County, Court Records, 1751–1752, p. 162. In the latter the term "whole gold" can mean only sterling.

[59] Court Records, Liber OB No. 4, p. 182 (Winchester, Virginia).

[60] Frederick County, Court Records, 1753, Liber H, p. 189; Chancery Record, Liber DD No. 1, p. 166; Worcester County, Inventories, 1759, p. 369. June 4, 1761, Symmer Brothers advertised in the Maryland Gazette for settlements, offering fifty per cent exchange between paper and bills; June 12, 1759, Henry Callister wrote: "Cannot you send me a bill? . . . But it will not do above 50 pct. exchange, as current here of a long time; . . . There is more art than reality in your [Pennsylvania] Exchange; ours goes on the intrinsick value of its fund more than the fluctuation of Demands" (Callister MSS.).

to be sunk approaches so that at present it is under Forty pcent and will certainly be very Soon at Thirty Three and a Third for the Reason abovementioned."[61] As the writer was comparing the value of paper money with that of bills of exchange, it is evident that the premium on foreign exchange is here included against the paper. Moreover, the fluctuations during the French War were probably due more to the foreign exchange than to the paper. The statements, however, agree very closely with such quotations as can be found in other records.[62] In general, during the second period in the life of the paper-money issue of 1733 the value of the paper first fell to depths like those of the previous period and then gradually rose to about £150 paper to £100 sterling. There it stood until about 1760, when, after some further fluctuations, it gradually rose to its par value, £133⅓ paper to £100 sterling.

Prices were sensitive to these variations in the value of money. On September 1, 1752, the Maryland Gazette requested its subscribers to take notice "That as our Paper Currency is now of greater Value, and much scarcer, than when this Gazette was first publish'd, . . . They [the subscribers] shall not be charged, any more than *Twelve Shillings and Six Pence* a Year, instead of *Fourteen,* as it has been heretofore." Two weeks later an Annapolis carter advertised a cut in prices, adding that as he was the first to lower rates since the paper money improved, he hoped to receive preference in patronage.[63] The stores also gradually adjusted their prices. Callister wrote on July 9, 1751: "Since I came hither [Chester River] I opened sale @ 150 pct. advance Paper Mony[64] which is approved by Mr. Hanmer [at Oxford], though they have not yet begun on that

[61] MS. in Maryland Historical Society.

[62] In 1762 Ringold and Galloway, merchants, agreed to accept paper money at forty-five per cent advance over sterling (Provincial Court Record, Liber DD No. 3, p. 44). See also Land Office, Inventories, No. 83, p. 284; No. 84, pp. 83, 311.

[63] October 5, 1752.

[64] That is, goods that cost in London £100 sterling were sold in Maryland for £250 paper.

lay yet, nor hardly any other Store. . . . At the same time this rate lays on a better advance (if you consider the Exch[a].) than 200 pct. advance did before, & yet the Planters are little sensible of this."

The additional strength of the paper money during the last fifteen years of the issue was not by any means due to good management during that period. The assembly itself grew somewhat lax in its supervision, and in 1761 was reprimanded by Governor Sharpe for its neglect.[65] The books of the commissioners became confused, and the auditing committees repeatedly advised that they be kept in the "Italian method or double entry," but no change seems to have been made.[66] In 1760 the accounts were so tangled that the committee could not understand the books during the sickness of the clerk, and had to forego an inspection.

Notwithstanding this confusion in bookkeeping, few losses seem to have occurred. In 1761 discrepancies were found between the accounts of the London agents and those of the naval officers. This led to the discovery that two naval officers, Young of Pocomoke and Darnall of Patuxent, had not made remittances to London in accordance with their accounts. Young soon secured the money and made good the defalcation, but Darnall's bond was the only security for about £900 sterling of arrears. There is nothing to show whether the money was ever secured.[67] In several instances sheriffs also were found in arrears,[68] and in 1760 the auditing committee complained that much money was due from irresponsible persons.[69] These are apparently the only cases of loss through dishonesty of officials.

In a still larger sense the management of the paper issue during the later period was inferior to that during the earlier period. The colony during these years was under severe financial strain because of the French War, and the assembly

[65] Lower House Journal, May 5, 1761.
[66] Ibid., March 1, 1756; December 14, 1757; May 8, 1758; April 4, 1760.
[67] Ibid., May 2, 5, 1761; Archives, vol. ix, p. 511.
[68] Lower House Journal, March 5, 1756; December 14, 1757.
[69] Ibid., April 3, 1760.

freely risked the credit of the bills in order to meet its obligations. At the time of the first redemption the colony owed the loan-office nearly £4000 currency that had been borrowed for the Canadian expedition of 1746. There had also been appropriated by the tobacco inspection act an indefinite sum for the erection of warehouses and other inspection expenses. The loan-office was to be repaid out of the inspection fees. Over £4000 was certainly drawn in accordance with this act, but a gap in the accounts makes it impossible to know whether this is all that was withdrawn and what portion was repaid. Slight balances, also, were carried over from other loans to the colony, so that in 1754 there was a total indebtedness of £10,513 due from the government to the loan-office.[70]

In 1754 the French War began, and the colony was called upon to make great exertions in defense. In that year £6000 currency was appropriated for His Majesty's service out of the uncirculated bills in the loan-office.[71] Adequate provision was made for repayment. Duties were levied upon all servants (Germans excepted) and slaves and upon Madeira wine imported. A wheel tax was laid on all coaches, chairs, and chaises, and a license was required of all peddlers. The license for ordinaries, which was already appropriated for the repayment of the loan for the Canadian expedition, was raised twenty shillings, and continued after the former loan was repaid. These revenues proving reasonably productive, by 1760 the fund should have been completed, but much money was in the hands of the sheriffs and uncollectable. The taxes were continued another year, and the loan seems to have been entirely repaid about the beginning of 1761.[72]

Paper money proved such an easy financial expedient in 1754 that when still greater sums were demanded the assembly naturally resorted to the same device. In 1755 the Lower House, presuming that the £4015 which had not been

[70] Lower House Journal, May 20, 1754.
[71] Bacon, 1754, ch. 9.
[72] Lower House Journal, April 3, 1760.

presented for redemption in 1747 and 1748 was lost and would never be presented, wished to reissue that amount as part of a £7000 appropriation. The governor, however, feared for the credit of the paper, and refused to permit the bill to pass.[73] The year 1756 opened with a serious state of affairs in the Indian War and with the frontiers almost defenseless. Something had to be done at once. Without waiting to frame a formal bill, two ordinances were passed empowering the governor to draw from the paper office £750 for immediate use.[74] No provision was made for repayment. The assembly then proceeded in a more leisurely way to enact a law providing £40,000 for military uses.

Of this large sum £5984 was borrowed from the loan-office and £34,015 was raised by a new issue of paper money[75] To make returns to the loan-office and to retire the new notes a series of taxes was laid. Duties on foreign liquors were increased and excises were laid on those of domestic production. Those importing horses, naval stores, and negroes had to pay duties on them. Taxes were also laid on bachelors, billiard-tables, land,[76] and a long series of legal documents. These revenues, it was thought, would make up the full sum in five years, but for certainty a commission was appointed to meet in August, 1760, to go over the accounts, and, if a deficiency was found, to calculate what land-tax would make up the deficiency, and to authorize the sheriffs to collect the necessary tax.[77]

Scarcely a single one of these revenue schemes proved as

[73] Archives, vol. vi, pp. 158, 162.

[74] Lower House Journal, March 6, April 1, 1756.

[75] Only £30,000 of new money was actually printed; £4015. 6s. in notes was in the paper office signed but not circulated, and this made up the balance. It is not clear just what fund this could have been. When turned over to the commissioners for the new issue, it was not charged on the books, nor was it ever returned. The amount corresponds exactly to the amount that was not presented for payment in 1748–1749. This suggests that it was probably the money prepared for delivery in 1748 which was never called for.

[76] Land belonging to Papists was taxed two shillings per hundred acres; all other land, including the proprietary manors, paid but one shilling per hundred acres.

[77] Bacon, 1756, ch. 5.

productive as was expected. The £5984 of borrowed money was not repaid to the paper-money office until after 1758; and when the commissioners met in 1760, they found a deficiency of over £14,000, making necessary an assessment of seven shillings seven pence per hundred acres on all land, including the proprietary manors.[78] Though this was an unreasonable tax, the commissioners had no choice but to order its collection.[79] Great alarm prevailed among landholders until the assembly relieved the situation by authorizing that the taxes laid by the act of 1756 be increased and continued, and requiring the commissioners to meet again in August, 1762.[80] The duties ran until November, 1763, and when the accounts were finally settled, a balance of £5564 was carried to the credit of the original paper money.[81]

The acts of 1754 and 1756 were by far the most important cases in which the government shifted its burdens to the paper money, but there were also several minor instances of the same character. In 1756 and 1762 acts were passed appropriating a total of £700 to pay Jonas Green of Annapolis for public printing.[82] In 1757 over £200 was ordered to be paid on small bills to various persons.[83] In all of these cases the paper money was called on merely to make immediate payment, and repayment was to be made from the general levy. It is doubtful whether much of this money was ever repaid. Out of a total of nearly £1000, accounts now available show the return of only about £173.

Though such heavy demands on the paper-money office, and especially the issue of £34,000 of new bills in 1756, were highly dangerous to the credit of the paper, it is hard to see how the colony could have been financed during this trying period in any other way. The exploitation of the public credit by means of bonds was unknown to the colonies; and even if it had been known, because of the scarcity of specie

[78] Roman Catholics, of course, paid double.
[79] Lower House Journal, October 4, 1760; Archives, vol. ix, p. 453.
[80] Bacon, 1760, ch. 9.
[81] Lower House Journal, November 29, 1765.
[82] Acts of 1756; Bacon, 1762, ch. 24.
[83] Acts of 1757, p. 12.

it would have been difficult in Maryland. The paper money, on the other hand, enabled the colony to meet its obligations when crises presented themselves, and still spread the burden over a considerable period of years. Moreover, the loss suffered by paying out about £150 currency for £100 sterling and redeeming at £133⅓ currency for £100 sterling constituted a lighter interest rate than the colony could possibly have obtained on a straight loan. Strange to say, all this tampering with the paper money seems to have had very little, if any, effect on exchange. As has been shown, the exchange stood at about £150 paper to £100 sterling throughout most of this period. Though there were some fluctuations about 1760, when the French War was at its height, yet there was no sharp rise in exchange in 1757 and 1758 such as one would expect to follow the injection of £30,000 of paper into the circulation.

The value of paper currency was undoubtedly maintained by the exceptional strength of the funds against which it was issued. Notwithstanding the heavy demands that had been made by the government, when the time came for redemption the funds were sufficient. During the French War, stock of the Bank of England declined very sharply, and it was thought that it would ultimately fall to 112 or lower. Consequently, between 1755 and 1759 the trustees purchased no stock whatever, but allowed the cash to accumulate on deposit. The Lower House estimated that the loss of dividends more than counterbalanced the gain in purchase price. The loss to the province, however, by this mistake in judgment was very slight.[84] In 1761 the fund amounted to £27,500 in bank-stock, worth at the time £36,245 sterling, and about £500 in cash. In 1763 it was enacted that money collected after December 1, 1763, should not be sent to London for investment, but be turned over at once to the commissioners at Annapolis.[85] On June 7, 1764, the colony was in possession of £40,800 of stock, worth at the time

[84] Lower House Journal, May 8, 1758; April 21, 1761.
[85] Bacon, 1763, ch. 22.

£50,731 sterling. About the same time there was in the office £9184 currency of gold and silver, which had accumulated through payments of principal and interest of loans and in accordance with the act of 1763. Against this total of about £76,000 currency there was then in existence £62,012 in paper money, £20,716 of which was in possession of the commissioners ready to be burned.[86] Thus there existed to the credit of the colony after all paper was redeemed a surplus of nearly £36,000 currency.

Redemption of the paper money was carried out at the prescribed time in the winter of 1764–1765, but the accounts are too meagre to permit this redemption to be followed as closely as that of 1748–1749. A statement of May 30, 1766, shows several thousand pounds in bills of exchange still unpresented and the accounts, therefore, not closed.[87] As late as May 21, 1767, there was still £688 outstanding in bills of exchange and one bill under protest worth £287. At this time the colony held in bank stock £31,000, which had cost £39,179; there was also a cash balance of £1235 sterling.[88] This is, perhaps, very near the final balance of the paper-money accounts.

Few complaints of the paper currency were heard, and of these the chief one was that the wealthy made use of it for speculative purposes. By the paper-money act of 1733 most of the duties and fees due to the province, with the exception of the officers' and ministers' fees, were made payable in paper. In 1747 an option was given by which those fees also might be paid in paper instead of tobacco. These provisions were intended to give a wide field of usefulness to the paper, and they created a demand for the bills which rendered their possession almost a necessity. It therefore became possible at times for persons with a supply of paper money to demand high exchange from those who were in need of the bills to meet some public obligation payable in no other available

[86] Lower House Journal, July 17, 1764.
[87] Ibid., November 26, 1766.
[88] Ibid., May 31, 1768.

medium.[89] To remedy this trouble, sections inserted in the tobacco act of 1754 and continued by later acts determined the value of coins when paid for these purposes, thus enabling persons to pay in coin instead of paper. This act, however, did not end the difficulty. The £40,000 act of 1756 laid new duties payable only in paper money. When in 1760 it appeared that a heavy assessment was to be laid on land in accordance with this act, the money speculators expected a strong demand for paper, and dropped exchange from £150 to £140 paper for £100 sterling.[90] In 1762 these duties also were made payable in gold and silver.[91]

As the time for redemption of the paper approached, it was very evident that exchange must advance, and paper became a profitable speculation. Those who, in that time of no banking facilities, hoarded up their savings found that paper money paid a fair interest while lying idle, and consequently paper began to disappear from circulation to lie in the tills of the speculators.[92] As early as possibly 1761 or 1762 Henry Callister wrote: "I said Currency; which does not imply Maryland money, of which there is hardly any current."[93] In 1763 the Upper House, speaking of an alternative of paper payments in a bill under consideration, said: "at this time it can be of no possible Benefit to the People, because no one, of the very few who possess Paper Money, can be imagined to be so regardless of his Interest as to part with it at a great and certain Loss"[94] (that is to say, loss

[89] "Every Person that did not make Tob° (which numbers do not) was obliged to pay his Levies or Debts of a publick nature in paper Currency, which many being oftentimes not Masters of (as there is not £60000 issued & most of that in the hands of the wealthy) they were obliged to pay their Gold and Silver at any Rate their Creditors would please to affix or on such Occasions be obliged to recur to any Person that would advance paper Cash which the Possessors would not often do but on hard Terms" (Archives, vol. vi, p. 85). See also Lower House Journal, September 26, October 4, 9, 1760.

[90] Archives, vol. ix, p. 453.

[91] Bacon, 1762, ch. 33.

[92] Lower House Journal, October 4, 1760.

[93] Daniel Clark of Philadelphia wrote to his agents in 1760 to have Maryland money saved for him should any be received (Clark Letter-book).

[94] Lower House Journal, November 3, 1763.

of the advance in the value of paper). Secretary Calvert was much incensed at the money speculators, and as usual showed his feeling by rather strong expressions. "If I am right," he wrote in 1764, "the present Loan to be paid is £6000 [£60,000] Sterl^g^ to whom, but to almost infamous Jobbers,—little currency has had circulation, the utility prevented, Lock'd up in the hands of merciless wretches that grind the very Poor."[95]

Partly because of complaints against speculators, but more especially because of complaints coming from British merchants, Parliament early began to concern itself with the issues of colonial money. In some of the colonies paper had been made legal tender for sterling debts, and British merchants had lost heavily by having accounts then standing paid in depreciated currency. Throughout the continuance of these issues, moreover, all business had to be transacted on a paper basis, much to the inconvenience and uncertainty of the merchant. Complaints soon reached Parliament,[96] and in 1739 an investigation was undertaken. Full accounts of all paper issues were called in from the colonies. Governor Ogle in a long letter to the Board of Trade set forth the history of the Maryland paper issue, and made clear the point that sterling debts were not affected by the new currency.[97] The outcome of the investigation was an address by the House of Commons to the king requesting that the act of 6 Anne be more strictly observed, and that no act of a colonial legislature be approved by the governor without a clause suspending enforcement until sanctioned by the king.[98] Letters calling attention to the matter were sent to the governors of Maryland, Pennsylvania, Connecticut, and Rhode Island.[99]

[95] Archives, vol. xiv, p. 141.

[96] Board of Trade, Plantations General, vol. xii (Public Record Office, C. O. 323: 10), N 14.

[97] Board of Trade, Proprieties, vol. xv (Public Record Office, C. O. 5: 1270), T 35; T 53.

[98] Board of Trade, Proprieties, vol. xv (Public Record Office, C. O. 5: 1270), T 40.

[99] Board of Trade Journal, vol. xlix (Public Record Office, C. O. 391: 43), 77; Acts of Privy Council, Col., vol. iii, § 496.

In 1748 the question of paper money in the colonies was again taken up by Parliament. Again statements were demanded of the governors.[100] After investigation, the Board of Trade requested that Parliament provide for rigid regulation of all paper money in the colonies. In protest against this measure, Lord Baltimore declared in a petition that the legislative power in Maryland did not rest in the crown, and that some of the provisions for regulation provided in the bill were in direct violation of his rights in the province.[101] The bill failed at this time; but the investigation was continued,[102] and in 1751 an act was passed prohibiting the issue of bills of credit in New England, except in emergencies, and requiring the royal sanction to all paper-money acts of other colonies.[103] During the ensuing war, however, paper was the only possible financial medium, and the restraining clauses of this act were ineffective.

After the close of hostilities, in 1764, the Board of Trade again reverted to the topic of paper money. Although a report on the subject was submitted by Maryland,[104] the paper issue was then approaching so nearly the date for withdrawal that this colony had little immediate interest in the proceedings. At this time Parliament passed the well-known act making void after September 1, 1764, all colonial acts that rendered paper legal tender.[105] As the force of this act falls in the years subsequent to the period under discussion, it needs no treatment here. It is sufficient to note that Maryland did issue other currency but without making it legal tender. Paper money had become so much a part of the business life of the colony that it, or some substitute, was indispensable. As Dulany wrote: "Thô Acts of Parliament may prevent our emitting Bills of Credit under one Denomination, we shall have a paper Circulation under

[100] Maryland Historical Society, Proprietary Papers, vol. vii, no. 3.
[101] Calvert Papers, MS., No. 428.
[102] House of Commons Journal, vol. xxv, pp. 746, 792, 793, 806, 818, 819.
[103] 4 George II, 53.
[104] Archives, vol. xiv, pp. 141, 174.
[105] 4 George III, 34.

another, if not under a publick Law; it may be upon the Bottom of private Security. The Old Course may be stopped, but a new Channel will be made."[106] In general, interference by the British Parliament with colonial paper currency worked little hardship in Maryland, and during the years preceding 1764 it was not felt at all.

It is almost hopeless to try to generalize as to the effects of the issue of paper on the economic life of the colony. Too many factors enter for any particular change to be assigned to any one cause. A few results only can be mentioned. The convenience of paper as an instrument of public finance has already been set forth. This was a benefit not anticipated by the advocates of the currency, but it is hard to see how the colony could have financed the French War without some such aid. Another almost incidental use of paper was the running of the loan-office. Money was lent at four per cent interest on the security of land or plate. There were no banks in the colony, and before the establishment of this office all loans were by private individuals and on whatever terms of interest, medium, and penalty bond a grasping creditor could wring from a needy borrower. Though easy credit is not always a good thing, this office seems to have been a decided benefit to the colony. A list of loans standing in 1755 contains the names of the most prominent men in the colony, including a surprising number of those engaged in mercantile affairs.[107] The borrowed funds must, therefore, have been largely used in productive investments. From the banker's point of view the success of the office was remarkable. We have no means of knowing how many foreclosures were necessary, but only one appears in the records at hand. In 1765 it was reported that principal money still out amounted to only £222.[108] Thus, losses through bad loans were almost negligible, while interest paid in amounted to thousands of pounds. Both as a business venture for the public and as a

[106] Calvert Papers, No. 2, pp. 245, 246.
[107] Upper House Journal, March 10, 1755.
[108] Lower House Journal, November 29, 1765.

stimulus and aid to private industry the loan-office seems to have been an unqualified success.

As a means of abolishing the use of tobacco as money and thus opening the way for efficient regulation of the tobacco trade and the more extensive culture of grain, the paper currency was not an immediate success. The act of 1733 left most of the fees still payable only in tobacco, and it was not until 1747 that the inspection act made these fees payable in paper by those who did not produce tobacco. Thus, tobacco regulation, though tardy, did ultimately result from the paper currency, and where every one previously had been compelled to produce tobacco, it now became possible to devote land exclusively to grain. This was one of the chief objects sought in issuing the money.

Undoubtedly the greatest result of the issue was the economic stimulus caused by the presence of a large amount of paper currency. Just what effect this had on the amount of trade done or the methods of doing it can never be told. The framers of the law felt that the currency of the northern colonies was the chief agency enabling them to carry on their trade, and that the absence of currency in Maryland was the handicap preventing that colony from becoming equally active. Though it now seems clear that the character of the products and the location of markets were responsible for this condition, yet it must be admitted that Maryland developed very greatly in trade during the life of the paper currency. During these years came also the opening of the western section and the change in a large part of the colony from tobacco to grain culture. These events were the causes of the rise of trade, but paper money, without doubt, greatly facilitated the movement when it was once begun. The best proof of the way in which the bills had woven themselves into the commercial fabric of the colony is to be found in the necessity of another issue to fill their place after redemption. All evidence concurs in showing that in 1765 money was extremely scarce and

difficult to obtain.[109] In this crisis, as Daniel Dulany wrote, "Some Medium of an internal Intercourse we must have, if our old one is demolish'd another will spring up in its place."[110] The legislature finally determined to issue paper bills against the bank-stock and coin accumulated by the paper-money commissioners. At first $173,733 of these notes was issued to pay the debts of the colony. Three years later $318,000 more was issued to establish another loan-office. To avoid the act of Parliament, these bills were not made legal tender, but the promise of the colony with its iron-bound backing of stock in the Bank of England was depended on to float them.[111] So great was the need of a circulating medium that the legislature was almost forced to this action.

Considering the peculiar benefits to grain and tobacco culture, the conveniences offered to trade, the exceptionally high exchange that the bills maintained throughout most of their life, and the faithful redemption of every shilling at face value, it is hardly too much to say that this was the most successful paper money issued by any of the colonies.

---

[109] Callister MSS., November 10, 1765; January 22, 1766; Lower House Journal, September 23, 1765; Calvert Papers, No. 2, pp. 245–246.

[110] Calvert Papers, No. 2, pp. 245–246. The "Bottom of private Security" had already been tried for small change; witness the quotation on page 23, note 51.

[111] T. W. Griffith, Sketches of the Early History of Maryland, pp. 59, 60. This is the first official use of the dollar denomination in Maryland.

CHAPTER VI

General Consideration of Money

In reviewing the subject of Maryland's monetary system in the time under consideration the most striking single feature is the confusion which accompanied the complications of standard. Mention has already been made of the confusion in the various values of coin. Other currencies served to increase the difficulty. If in 1760 an agreement had been made calling for the payment of "one pound" without further specification, the obligation might have been met by paying any one of no less than seven different pounds: the pound in goods at their sterling cost in England, the pound in sterling exchange, the pound sterling, the pound proclamation money, the pound running money, the pound paper, and the pound of tobacco. All these meanings of the word were in daily use, and it would require but a very slightly unusual use to include also a pound of hemp, flax, pork, or beef. The greater dissimilarities between circulating media, such as those between paper or tobacco and sterling, caused less confusion than the slighter differences, such as those between proclamation money and running money, or sterling and sterling exchange. The former, however, made accounting more burdensome. It was simple enough to transpose quickly from sterling to proclamation money, and to keep an account entirely in one or the other, but in using also tobacco and paper, each of which was somewhat uncertain in value, it became almost necessary to keep separate accounts for each medium. Ledgers show from one to four or five columns[1] for entries of different payments. Before the emission of paper money two columns, one for money and one for tobacco, are usually found. After the

[1] Baltimore County, Administration Accounts, Liber E 5, p. 225.

emission of paper a separate column for this medium is customary. In some cases proclamation currency is separated from sterling. Rarely are these columns reduced to a single total, but balances are usually given in two, three, or four amounts, as the case may be. The unnecessary labor and the errors of bookkeeping under a system like this are easily conceived.

A feature of no little importance in the colonial monetary situation was the total lack of banking facilities. Nowhere was there any institution to set standards of exchange, interest, or coin value, to handle the business of foreign remittances, to store surplus cash, or to lend to those seeking capital for investment. Values of the various currencies, as has been shown, fluctuated violently and unevenly. Different merchants often accepted the same currency at different values. Only a few of the more common exchanges, such as the values of foreign coins, became fixed by custom; all others were matters of individual bargaining. In foreign exchange the same confusion prevailed. Each planter drew his own bills of exchange, and disposed of them himself at whatever price he and the purchaser could agree upon.

In the storing of money also the lack of banks was severely felt, every individual being under the necessity of hoarding up sufficient money to meet all his needs. This made necessary a large supply of currency, and exposed the individual to heavy losses by fire and theft. The mere preservation of money was no small burden.[2] The careful provision in the paper-money act for an iron box with three locks in which the money was to be kept is an instance of the care that had to be exercised. The fact that on at least two occasions attempts were made to break into the paper-money office shows the reality of the dangers which threatened.

Though no banks settled a discount rate, interest was determined by law. By an act of 1704[3] the legal interest rate

[2] In 1721 Samuel Young requested the assembly to dispose of public money in his hands (Lower House Journal, July 31, 1721).

[3] Bacon, ch. 69; Parks, p. 41.

was fixed at six per cent for money and eight per cent for tobacco, wares, or merchandise. Although no specific reason is shown why there should be discrimination between the two currencies, it is possible that the greater fluctuations in the price of tobacco made the higher rate a necessary margin of safety for the creditor. From time to time efforts were made to reduce the interest rate on tobacco and, on one occasion at least, on money also;[4] but such efforts failed, and the act of 1704 remained law until the end of the period.

One topic about which there seems to be much misunderstanding is the legal-tender quality of the various Maryland moneys, especially tobacco. By many writers it is assumed or stated that tobacco was tender for all debts.[5] Nothing could be further from the truth, for Maryland had no general legal tender. Each form of currency was legal tender for contracts drawn in that medium. There seems never to have been a general act regulating tenders in commercial transactions, but the common law of contract prevailed by which contracts drawn in sterling were payable only in sterling and those drawn in tobacco were payable only in tobacco. Even efforts to fix a definite rate of exchange at which foreign coins were to be accepted in payment of sterling debts were uniformly unsuccessful,[6] and sterling debts were payable only in British coins unless the creditor agreed to accept other things. For currency debts there were for a while two legal payments,—foreign coins at values set by statute, and Maryland paper currency,—but when paper depreciated in value, discrimination was made, and contracts drawn in gold and silver currency were executed in that medium alone, to the exclusion of paper.

In public affairs, roughly speaking, all payments due to the crown or to the proprietor were payable only in sterling, and all payments due to the province or to officers were

[4] Lower House Journal, June 12, 1749; June 3, 1751; March 28, 1760.

[5] T. W. Griffith, Annals of Baltimore, p. 47; J. McSherry, History of Maryland, p. 94.

[6] Lower House Journal, April 6, 9, 1733; May 30, 1750.

payable only in tobacco. No effort was ever made to gain the privilege of paying the crown duties in any other medium. On several occasions, as has been shown, the privilege was sought of paying the proprietor's quit-rents and other dues in paper. The only point ever gained was the granting of favorable rates of exchange at which foreign gold and silver would be accepted. The provincial and county levies were soon made payable in gold, silver, and paper. The commutation of official fees, however, brought on one of the bitterest political fights that the colony ever experienced. Not until the passage of the tobacco act of 1747 was paper money under certain restrictions made legal tender to officers from those who produced no tobacco, and in 1754 an exchange was agreed on by which coin might be offered instead of paper. The acts for the encouragement of the culture of hemp and flax and for the relief of debtors, as has been seen, made agricultural produce legal tender under some narrowly limited circumstances. In 1721 it was reported as a grievance that these acts had no clause obliging persons to accept tobacco for money or money for tobacco,[7] but no change was made in the law. Thus, with slight exceptions, there was in Maryland no legal tender except the medium named in each contract.

A question of importance in the financial situation of any country is the ease or difficulty with which capital can be obtained. In colonial Maryland the availability of capital was of less significance than it would have been in a more extensively commercial community, but there were occasions when a supply of money in the hands of the proper individuals would have led to the improvement of a plantation or the establishment of a business. It was in this respect, probably, that the absence of a bank was most severely felt. The great scarcity of money was the more unfortunate because of the lack of facilities for bringing together the borrowers and the lenders of what little money there was. Such being the case, it is important to notice the sources from which capital was to be obtained.

[7] Lower House Journal, February 27, 1721.

To us the most interesting source of money during the years between 1734 and 1764 was the colonial loan-office. It has already been shown that in the establishment of the paper-money system the conference committee increased the amount of the issue in order to have a larger supply to be lent out on good security. Although the interest on these loans was to be only four per cent, yet the security requirements were such as to hamper the usefulness of the office. If lent on lands or tenements, twice the value of the loan was required as security; if lent on messuages, three times the value was demanded. Plate might serve as security at five shillings per ounce. Moreover, not more than £100 might be lent to one person within six months.[8] These provisions may have been very proper as a safeguard to the paper money, but they must have prevented many a worthy man from securing a satisfactory loan. Another difficulty with the loan-office was that it had no branches and did business only in Annapolis. The distribution of its money shows the result of this. Of the loans outstanding in 1755 over sixty-six per cent were held by residents of the three adjoining counties,—Anne Arundel, Baltimore, and Prince George's.[9] The amount of money, £14,876, outstanding at the time, however, shows that in spite of the difficulties the loan-office was being fairly well patronized. The list of borrowers includes many of the wealthiest men and most of the well-known merchants of the province. The conditions made this essentially a rich man's loan-office; and even while the paper money was at the zenith of its usefulness, Governor Sharpe expressed the desire that some scheme might be devised for lending small sums to the manor tenants when it seemed evident that the money would be used for improvements.[10] The loan-office justified itself by its work,

[8] Acts of 1733; Board of Trade, Proprieties, vol. xiv (Public Record Office, C. O. 5: 1269), T 23; Bacon, 1733, ch. 6.

[9] Upper House Journal, March 10, 1755. These counties contained only about twenty-five per cent of the free white men of the province (Gentleman's Magazine, vol. xxxiv, p. 261).

[10] Archives, vol. ix, p. 62.

but it would have been difficult for a man to start in business on capital borrowed under such terms.

The second source of capital was the surplus held by wealthy individuals. Mortgages on land and bills of sale on personalty appear so frequently in the county records that little doubt is left as to the relations between the signers of many of these documents. The chances are strong that the regular method by which a poor man purchased a small plantation or set himself up as a tenant was by procuring a loan from a wealthy neighbor on whatever security the borrower might be able to furnish. Certain individuals seem to have engaged very extensively in such lending. The Dulanys and the Carrolls, for instance, had many bills of sale and mortgages recorded in both the provincial and the county records. One form of such individual loans is shown in a case from St. Mary's County. Lothian and Jordan of that county entered into a partnership with Richard Chase, an attorney of Baltimore County, and Chase purchased a stock of goods from a merchant of Annapolis. Later, on dissolving the partnership, Chase assumed the debt for the goods and took a note from Lothian and Jordan.[11] Another example is the case of George Neilson of Annapolis, brewer, who, being in need of capital, applied to William Diggs to buy malt for him. Diggs, unable to fill the order, went security for Neilson to Charles Carroll, who imported the malt from London. The matter was brought into court because Carroll, it was alleged, retained a large part of the malt and sold it to Neilson's customers.[12] Such personal loans, whether disguised as a partnership or made on a note, or secured by mortgage or bill of sale, probably constituted the greatest volume of borrowed capital in the colony.

The third source of capital was the merchant. As a class merchants seem to have engaged rather largely in loans as means of "creating an interest."[13] William Vernon, for in-

[11] Chancery Record, April 21, 1759, Liber BT No. 1, p. 197.
[12] Chancery Record, Liber JR No. 2, pp. 487–500.
[13] This condition still obtains in the tobacco sections of Maryland. On June 22, 1899, Mr. J. B. Ayer, master of the state Grange of

stance, borrowed £100 sterling from John Hanbury, a London merchant, in order to buy a plantation. The loan was satisfied by shipments of tobacco and the execution of a mortgage on the land.[14] A more interesting example was that of John Stewart and Duncan Campbell of London, merchants, who through William Lux, their factor at Elk Ridge, lent Caleb Dorsey £263 on the security of his prospects of inheriting a fortune from his father, Basil. When Caleb died before his father, the latter agreed to pay his son's debts. Stewart and Campbell, however, demanded payment in bills of exchange; and before the bills were procured, Basil Dorsey died. The creditors were then forced into court because Basil's executors claimed that they had no authority to pay the debts of the testator's son.[15] Both merchants[16] and planters regularly overdrew on their London factors whenever occasion arose. A big London firm wrote as follows: "The Small Shippers generally draw to the full; and most of them exceed the value, some very much so."[17] Another firm wrote: "Our Concern have always been very liberal to friendly planters in lending Cash upon emergency without interest."[18] On this matter William Molleson, merchant, instructed his factor, Charles Ridgely, as follows: "my plan is to get head among the good planters who dont always want favours, yet if you should find it necessary to advance some of the more needy ones Cash upon their Bills to you for Shipping their Tobacco, you may endorse as far as three hundred pounds Sterling upon

Maryland, testified before the Industrial Commission as follows: "As far as Maryland is concerned, especially in the southern part, where they grow tobacco, which is a crop that does not bring in money frequently, they go to Baltimore and obtain supplies from the merchants there, and I presume they take a lien on the crop. They obtain their fertilizers and necessary provisions, and so on, and when they sell the Tobacco they settle with the merchants" (57th Cong., 1st sess., H. Doc. No. 179, p. 105).

[14] Chancery Record, Liber JR No. 2, p. 281.

[15] Chancery Record, Liber DD No. 1, pp. 342–348.

[16] See a letter in which Charles Ridgely requested such credit (Ridgely Papers, September 28, 1764). See also Russell to Ridgely (ibid., 1766).

[17] Ibid., March 23, 1767.

[18] Callister MSS., May 9, 1763.

the whole and the Bills so endorsed by you shall be paid, but for God Sake be cautious of your Men."[19]

The merchant's loan often assumed the familiar form of the book credit. This form of business was very extensive, and was much complained of at the time.[20] Book credits to planters, however, though really loans, were seldom productively engaged, and can hardly be classed as an important source of capital. Similar to book credits, but far more important, was the custom among Maryland merchants of dealing on the credit of correspondents in London, Philadelphia, or some other trade center. This form of borrowing showed all gradations from the factor sent over from London to take charge of the goods of his principal to an ordinary Maryland merchant doing business on long-time credit. The same individual often began as a factor, later received consignments of goods to be sold on commission, and finally bought outright on such credit as might be necessary.[21] A large volume of trade was done on the commission system, which is clearly a form of capital borrowing.

There were drawbacks to each of these methods. The difficulties in borrowing from the provincial loan-office have already been pointed out, but this was the only place where the borrower could expect anything like just treatment. Here all could receive loans if they met the conditions, and

[19] Molleson to Ridgely, in Ridgely Papers, March 10, 1763.

[20] Henry Callister wrote as follows: "The Substantial people here complain that the large Credits ruin the Country, but by the by, they Speak feelingly for their private Interest, for these Credits keep down the price of their Crops, but it is a question with me whether the Country is not enrich'd by Credits, & whether the Merchants have not the greater cause to complain, the Tobacco bought in this manner turning out on the long run the dearest purchase" (Callister MSS.).

[21] For instance, Robert Morris and Henry Callister. A letter from James Russell, an English merchant, to Charles Ridgely, a merchant of Baltimore County, shows an effort to deal on borrowed capital. "I am very willing & ready," he writes, "to Ship you goods on the following terms viz to be paid for in twelve months from the date of the Invoice what is not remitted in that time to allow 5 P ct Interest till in cash & if any part is remitted before the 12 Months you to be allowed Interest for the time, if these terms are agreeable to you I am very ready & willing to do your business" (Ridgely Papers, March 3, 1766).

the same conditions applied to every one. Loans from individuals were, of course, individual affairs. A private loan might be made or withheld at the whim of the lender. This plan, moreover, exposed the debtor to the utmost rigor of the bargaining power of the creditor, and complaints of the severity of the grasping creditor were filed.[22] The third method of obtaining credit was possible only to merchants or shippers. It was peculiar in that frequently no interest was paid, the creditor being remunerated by trade advantages alone. Its great disadvantage was that it often exposed a debtor merchant's business to interference from without. Nevertheless it was the method by which most credit mercantiling was transacted, and was the means by which many large enterprises were established. On the whole, though there were no regularly established banks or other institutions of credit, it was not difficult for one properly qualified with security or business ability and not afraid to risk exposure to the debtor's prison to procure capital for any productive undertaking.

During the years through which we have followed the history of Maryland's currency there were many minor improvements, but the great monetary problems remained unsolved. Among the points of advance we may note that there was more money in the province in 1765 than in 1720. On the other hand, the greater volume of business was increasing the demand for money so rapidly that the scarcity of coin was as keenly felt in the later as in the earlier period. In the use of tobacco as currency these years saw the solution of many perplexing problems, and by 1765 notes, official inspection, and other improvements had rendered tobacco a far less awkward medium than it had been in 1720.

Possibly the greatest step forward was the gradual abandonment of tobacco currency. In 1765, however, this movement had only begun, and large sections were still transacting most of their business in terms of that crop. Its decline as a standard of value was more complete and the results

[22] See pages 96, 107.

were most important. Paper money entered the field, and although it was a dangerous financial instrument, it was successfully used by the colonists. At the same time the period closed with one problem not only unsolved, but actually more grave than before. The multiplicity and the confusion of standards were far worse at the end than at the beginning. From 1720 to 1765 was, on the whole, a time of patient experiment and slow advance, but it cannot be considered a period of brilliant financial achievement.

CHAPTER VII

Transportation and Communication

As economic factors money and transportation are very closely akin. Just as money facilitates the bargaining for exchange of goods when people are met together, so roads and post-offices facilitate the meeting of individuals and the moving of the goods bargained for. Both money and roads are lubricants in the machinery of trade. It is proper, therefore, that all agencies of transportation and communication should be considered side by side with a study of money.

The system of road administration in Maryland was laid down by an act of 1704,[1] in which control of the roads was vested entirely in the counties. Every year the county court enumerated in its records what routes were to be considered public roads, and appointed overseers for their superintendence. With the exception of the county justices, these overseers were the only road officials. As many as fifty or sixty[2] were sometimes appointed for a single county, and the roads in the care of each were exactly specified. The duties of the overseers were to assume complete control over the maintenance of highways in their sections and to open any new roads that the county court might order. They were empowered to summon every taxable man of their districts[3] to work upon any part of the road that they might direct. A fine of one hundred pounds of tobacco was provided for every laborer or his master who failed to

[1] Bacon, ch. 21; Parks, p. 26.

[2] Just before Prince George's County was divided sixty-three road overseers were appointed (Court Records, November, 1746, Liber F F, p. 184).

[3] Owners of iron works were required after 1750 to send only one tenth of their laborers to work on the roads (Bacon, 1750, ch. 14).

obey this summons.[4] The overseer's office paid no salary, but was compulsory under a fine of five hundred pounds of tobacco for neglect of duty.[5] The office was naturally not popular. It involved a great deal of work and the necessity of requiring one's neighbors to perform an unpleasant task. At times overseer and laborers were compelled to work as far as twenty miles from their homes and on roads that they never used.[6] Men of the lower class were usually appointed overseers, and petitions to be relieved of the office were occasionally received.[7]

The overseers had no authority to extend or change the roads, as this duty was vested only in the county court.[8] The regular procedure was for the inhabitants of a region to petition the county for any desired changes or extensions; the court then appointed a commission to view the location and report to the next court; and on receipt of this report the court either rejected the petition or ordered the overseer to make the desired changes. Often when the road was to be made at the request of a single individual the expenses were borne by the petitioner. Frequently, however, people cleared roads for their own private use without reference to the courts, and these private ways constituted a large proportion of the total mileage. Some of them

[4] By the act of 1704 this fine was laid by the county court on prosecution being brought by the overseer. This was found burdensome, and in 1723 the fine was made recoverable before a single justice of the peace (Bacon, 1723, ch. 17).

[5] For some prosecutions see Frederick County, Court Records, August, 1752, Liber G, p. 259.

[6] Frederick County, Court Records, June, 1750, Liber A, p. 552; Dorchester County, Court Records, August, 1733, p. 99. A Prince George's overseer complained of an unfair division of roads between the overseers (Court Records, March, 1730/1, Liber R, p. 16).

[7] Governor Hart said to the assembly in 1719 that the disregard of the road laws "proceeds from the want of a sufficient penalty on the overseers and on those that refuse to pay obedience to their orders & that Generally the meanest of the people are appointed to those offices which obliges me to repeat what I said on another Occasion no man is too good to serve his Country" (Lower House Journal, May 14, 1719).

[8] The governor and the council were empowered by law to order the change of a public road, but I know of no instance in which they ever did so.

seem to have served large communities and in every respect except legally to have been public roads.[9] In many instances they were probably as well maintained as the public highways; in other cases they were mere bridle-paths. In fact, some of them were occasionally spoken of as paths.[10] A Cecil County petition, for instance, spoke of a ferry that was much used over the Susquehanna, and complained that there was "no direct road leading that way, but small paths very difficult to strangers."[11] In one case a "road or path" is spoken of as being sufficient for "loaded carts and wagons."[12] The road system grew in large part by the gradual extension of private roads and paths back to new settlements and the ultimate recognition of these roads as public highways.

The roads in Maryland, being laid out by each county, developed according to no regular or systematic plan, except in so far as most counties faced similar obstacles of land and water and overcame them in similar ways. The main feature of the system was that a road ran up each side of the bay, cutting across from the head waters or the ferry of one river to the head waters or ferry of the next, with branch roads running off into each of the many necks of land between the more important streams. This plan is a geographical necessity, and remains to the present day the outline of a great part of Maryland's road system. The multiplicity of creeks and rivers made necessary a vast number of roads, often short and unimportant and always crooked. Moreover, even the main routes did not run straight from place to place, but zigzagged about, avoiding a hill here and a swamp there, until they formed a veritable maze in the forest.

[9] Baltimore County, Court Records, March, 1739/40, Liber HWS No. 11, p. 149.

[10] Frederick County, Court Records, August, 1749, Liber A, p. 135; Queen Anne's County, Court Records, November, 1737, Liber 1735–1739.

[11] Petition Book, June, 1731, p. 165.

[12] Cecil County, Court Records, August, 1760, Liber FK No. 3, p. 452.

The most important roads in the province were those forming the main line of travel between Philadelphia and Virginia. This route divided in Delaware and entered Maryland by two branches. One branch ran down the Eastern Shore, crossed the Elk River at Bohemia Manor, thence to Frederick and Georgetown on the Sassafras River, thence to Chestertown on the Chester River, thence either to Rock Hall or East Neck Island on the bay side of Kent County and by boat to Annapolis, or across the river at Chestertown and down through Queen Anne's County to Kent Island, where a boat was taken to Annapolis. This was the route most frequently taken. The other branch of the road from Delaware reached Annapolis around the head of the bay,[13] running past the head of Elk River to North East, to Susquehanna ferry near Port Deposit, to Joppa, to Baltimore, thence either across the Patapsco at Ferry Bar or around by Elk Ridge, and to Annapolis. A little way from Annapolis the road again divided, one branch crossing the Patuxent at Queen Anne Town and leading to Upper Marlboro and Addison's ferry opposite Alexandria, and the other crossing the Patuxent at Nottingham and passing through Piscataway to the main ferry across the Potomac near the mouth of Pope's Creek.[14] All of these roads were probably in existence by 1720.

The territory along the Monocacy and to the west furnished through traffic that demanded a separate road system. This region was settled by two streams of immigrants, the first moving across southern Pennsylvania and then turning south along the mountains, and the second pushing slowly up the Potomac River. Each stream of settlers constructed its own road. As the Pennsylvanians were the first to

[13] In Cecil County this road is often spoken of as the King's Road or the King's Highway (Cecil County, Petition Book, November, 1721, p. 26).

[14] Maps by Jefferson and Fry and B. F. Pownall; L. Evans, Geographical . . . Essays; T. Chalkley, A Collection of the Works of, pp. 309–312; The Vade Mecum for America, Or a Companion for Traders and Travellers, p. 203; Callister MSS., July 14, 1762; Hamilton's Itinerarium, p. 1; "William Gregory's Journal," in William and Mary Quarterly, vol. xiii, pp. 226–229.

arrive, the great wagon road from Philadelphia and Chester west through Lancaster and York to the mountains served for some years as the only outlet from all this region. Branches of this route extended through Harper's Ferry and well down into the Virginia valleys. As the Potomac settlers moved westward, they extended link by link their tide-water road system farther up the river. In 1720 the Prince George's County roads seem to have extended about to Rock Creek.[15] By 1728 a road had been pushed as far back as the Monocacy,[16] and shortly thereafter an elaborate system was developed connecting the western settlements with the county seat and with tide-water on the two branches of the Potomac.[17]

Neither the Philadelphia wagon road nor the Potomac River roads were suitable to the needs of the western communities. A road directly across from the Monocacy to the Chesapeake would be much shorter, consequently in 1739 there were sent to the assembly "a Petition of the Inhabitants about Monoccacy, and above the Mountains on Potowmack River, A Petition of the Inhabitants on the West side of Patowmack River, on the back Parts of Virginia. A Petition of the Inhabitants at and about Manoccacy Creek. And, a Petition of the Inhabitants to the Northward of the Blue Ridge, alias Chenandore Mountain: By which Petitions the several Petitioners pray, that a Road may be cleared through the Country from the City of Annapolis, for the more easy Carriage of their Grain, Provisions, and other Commodities."[18] Although this request was the birth certificate of Baltimore City, it received very little attention from the assembly, and was referred to the next session. There is nothing to indicate that the legislature ever resumed the subject of a through highway to the western part of the province. Roads were county affairs, and this road was left

[15] Prince George's County, Court Records, November, 1720, Liber K, p. 7.
[16] Ibid., November, 1728, Liber O, p. 331.
[17] See road enumerations in successive November courts.
[18] Lower House Journal, May 14, 1739.

to those sections. Just when the road was cleared is not certain. In neither Prince George's nor Frederick County do the records make any mention of the first construction of the highway, but a petition in 1749 mentions "the main Waggon Road from Annapolis to Fred[k] Town" and "the Road that leadeth from Baltymore Town to Diggs Copper Works."[19] The silence of the records indicates that these roads were cleared by private initiative.

The great outburst of activity and interest in Frederick affairs about 1745 suggests that the opening of the first road might have occurred about that time. The route of the road is as doubtful as the time of its construction. In a general way, of course, it struck across from the Patapsco as directly as possible to Frederick, probably following the route of the Frederick Road of later days. Branch roads led not only to the several districts of Frederick County, but also across the border into Pennsylvania, down to Winchester, Virginia, and farther and farther back into the mountains as settlements were made.[20] This system was greatly extended, especially up the Potomac to Cumberland, by the military operations of the French and Indian War.[21] It is probable, also, that several roads were soon cleared across to Baltimore, through traffic thus following various channels.[22]

As a part of the general system of roads mention should

[19] Frederick County, Court Records, August, 1749, Liber A, p. 135.

[20] Ibid., June, 1750, Liber A, p. 552; November, 1761, Liber L, p. 291; March, 1762, Liber L, p. 373.

[21] W. Sargent, ed., The History of the Expedition against Fort Du Quesne in 1755, p. 308; Archives, vol. ix, pp. 164, 165, 206. Governor Sharpe feared that the Pennsylvanians would oppose the building of an army road from Frederick to Cumberland because it would give Maryland an advantage in trade (Archives, vol. ix, pp. 230–231).

[22] Two petitions to the Frederick County court in 1761 ask for the clearing of roads to Baltimore Town to fall in with "a Road lately open'd from George Touxes to said Town" (August, 1761, Liber L, pp. 230, 231). Records never speak of "the road to Baltimore;" they always speak of "a road to Baltimore," or "the road that runs from —— to Baltimore." These expressions leave little doubt that several roads were in use between Baltimore and Frederick County. Pownall's map also shows a road from Baltimore north into Pennsylvania. Such a road would belong to this same system.

be made of the portages that became of much use in the transportation of freight on the Eastern Shore. Difficulties of land traffic forced the colonists to resort as often as possible to water. Consequently, wherever the head of navigation of a river flowing into the Chesapeake approached the head of navigation of a river flowing into the Delaware, there developed a traffic up the one, then across by portage, and down the other stream. The Maryland and Delaware peninsula has many such portages, and the records of the counties along the Eastern Shore show that much traffic passed in this way. The northernmost portage was from the head of Elk River across to Christiania Bridge, the modern Wilmington, a distance of about twelve miles. Somewhat more used than this—in fact, the most used of all the portages—was one from Cantwell's Bridge at the head of Apoquinney Creek to Bohemia Landing on Elk River near the present Elkton. Large ships could come up to both landings, and the distance between them was only about eight miles. Just below Bohemia, on the Sassafras River, was Fredericktown. From here, also, by a haul of about fourteen miles goods often went across to Cantwell's Bridge. From Salisbury on Duck Creek, Delaware, there were portages across to both the Sassafras and the Chester River, each about thirteen miles distant. About the middle of the peninsula there was a somewhat less used portage of six or seven miles from Choptank Bridge to the Motherkill. Still farther south there were three very much used portages: from the Nanticoke River to Broadkiln Creek, from the Nanticoke to Indian River, and from Snow Hill on the Pocomoke River to Sinepuxent Bay, in length about twelve miles, thirteen miles, and five miles respectively.[23] Over these portages was carried much of the merchandise entering and leaving the Eastern Shore, and not a little to and from points on the Western Shore and in Virginia.[24]

These three systems—the roads leading north and south connecting Virginia and Pennsylvania, those leading out

[23] Pownall's Map; Evans.
[24] Clark Letter-book, p. 92.

north and west from Baltimore, and the portages connecting the heads of rivers in Maryland and Delaware—constituted the main arteries of through travel. Off from them in every direction a vast number of local roads, public and private, led down each neck, or peninsula between creeks or rivers. These roads formed a network without system or regularity. Their design in the tide-water counties was not to feed into the main arteries, but merely to strike the shortest and best route to the great objective points,—the church, the public landing, the county court, and sometimes the mill.[25] In the western regions, while of course the local needs were taken care of, there was also the idea of connecting with the main roads to Baltimore.[26]

The extension of highways made by the colony during

[25] A Prince George's County road was described as "a very Publick Road out of Charles County to a ferry from Permonkey over into Virg[a] also very much used by the Neighbourhood being a Church Road Market and Mill Road for most of the Neighbours" (Court Records, March, 1741, Liber Z, p. 531). Such expressions are not infrequent.

[26] Petitions for opening roads in the several counties reveal the purposes of the petitioners concerning their road system. The following are two examples.

"Inhabitants Petition } To the Worshipful Court of Dorchester nowe sitting. The Petition of us the Subscribers humbly sheweth that there is a certain large Neck bounding upon Fishing bay and running between firm Creek and raccoon Creek and running to Hunger River Chappell and a Considerable number of people living in it and we have no road to the Chappell or Elsewhere out of the said Neck we therefore humbly desire of Your Worships to grant us an Order to Clear a Road from the said Chappell into the said Neck and that the men living between the said two Creek and the Chappell may be appointed to clear the said Road and further that Your Worships appoint one of those said Men Overseer of the said Road and Your Petitioners as in duty bound shall ever after pray" (Dorchester County, Court Records, November, 1733, p. 241).

"To the Worshippfull Court of Frederick County now sitting the Petition of a number of The Inhabitants of the Upper Hundred of Monocacy Humbly Sheweth that whereas we have Laboured under much Hardship and disadvantage for want of a good Road to the nearest Landing Vizt. Baltimore Town We humbly Request that your Worships would be pleased to grant us an order for opening and clearing a Road from the Temporary Line along a Gap in the Mountain to John Lillies Mill and from thence a straight Course to Baltimore Town until it fall in with a Road lately open'd from George Touxes to said Town" (Frederick County, Court Records, August, 1761, Liber L, pp. 230, 231).

the period between 1720 and 1765 was the source of much of its progress in other ways. No estimate of mileage is possible, but successive enumerations in the county court records leave no doubt about the rapid opening of new roads. For example, in Queen Anne's County the enumeration of 1730 divided the county into nine overseers' districts; that of 1758 showed thirty. The significance of these figures is that in 1720 the colony was still a series of scattered settlements spread along the waterfront with little communication by land, while in 1765 it had become a community every part of which was accessible from every other part.

The character of these roads varied in different sections. On the Eastern Shore and in other parts where the land was level, road-making was a comparatively simple matter, but in the rough country of western Maryland many more difficulties were encountered. While the roads in different sections thus differed in the matter of rocks, hills, and streams, they were all alike in being built and maintained in the cheapest possible manner. Little more was done in road construction than to clear away the trees and undergrowth, and here and there, where the necessity was great and the traffic warranted, to build a bridge or a causeway. The small cost of roads is best attested by the willingness with which the people undertook to construct new roads or to change old ones. A Queen Anne's County petition says of a proposed new road, "as the road will not be above five miles long, it will be no expense."[27] Very frequently individuals presenting petitions that roads be changed undertook to do the work at their own cost. The trivial reasons assigned in many of these petitions throw an interesting light upon the character of the roads. John Gwinn and Charles Yates, of Charles County, requested that a new road be built because the old one passed through their land, and in consequence their gates were frequently propped open and

[27] Court Records, March, 1764.

their fences pulled down.[28] In another instance a road was turned partly because it was "used by Sundry Persons resorting to the . . . ferry where getting disordered does not Value leaving Open such Gates they shall come across."[29] In Cecil County a new road was constructed, "somewhat longer than the old," because the latter passed through a plantation that was "scarce of rail timber" and could not well afford to maintain fences.[30] Changes for this reason are not infrequent. Another petition to change the course of a road was granted because the petitioner lived on the main road and was much troubled by travelers and was frequently aroused at unseasonable hours.[31] These statements show how little work a road represented, and we can draw our own conclusions as to the kind of highways such work must have produced.

One feature of the colonies which is very apt to be forgotten, or at least to be underestimated, is the prevalence of forests and the fact that the roads ran almost exclusively through the woods. As late as 1788 Brissot de Warville said that the road from Susquehanna to Baltimore was always in the midst of forests.[32] Schoepf also complained of the monotonous woods on the way from Baltimore to Alexandria.[33] The inhabitants, in fact, preferred that their roads should be through forest.[34] Routes were cleared regardless of the ownership of the land, and ran almost continuously through tracts belonging to private individuals. When these lands were brought into cultivation, the owners laid off and

[28] Court Records, June, 1728, Liber Q No. 2, binding 36, p. 117.

[29] Prince George's County, Court Records, March, 1742, Liber AA, p. 355.

[30] Petition Book, p. 90; see also Court Records, August, 1760, Liber FK No. 3, p. 452.

[31] Baltimore County, Court Records, August, 1728, Liber HWS No. 6, p. 26.

[32] Vol. i, p. 364.

[33] J. D. Schoepf, Travels in the Confederation [1783–1784], (Alfred J. Morrison, tr.), vol. i, p. 348.

[34] In 1788 Brissot de Warville said that from Wilmington "to the head of Elk you see but few plantations, you run through eight miles of woods, only meeting with a few log-houses, when you arrive at Henderson's tavern, a very good inn, alone in the midst of vast forests" (vol. i, p. 363).

fenced their fields without regard to the highways, only placing gates where their fences crossed the roads.[35] When the road was not enumerated by the county justices, or even when it was, the planters, either by petition to the justices or in defiance of the laws, often turned the roads aside so that they would not interfere with the new plantation. A Frederick County petition in 1758 spoke of an old Indian road "which is now rendered almost impracticable by plantations."[36] A Cecil County petition says still more explicitly: "Neighbours and New Comers are now Settling so Close & thick that we are likely to be Stopped from having any passage that way which will be a great & Grievous Inconvenience causing us to Travel a great many Miles (Meander like) to seek our way."[37] In 1751 the governor referred to this matter in his speech to the assembly as follows: "While other Nations are improving their Commerce, by opening Canals, and shortening and mending their Roads, we are lengthening Ours in many Parts of the Province, by Windings and Turnings, and obstructing their Passage, with Gates and other Incumbrances."[38]

The care with which the roads were maintained varied in the different communities and with different overseers. In general, the road administration was rarely ever efficient. The laws required that the roads should be cleared and well grubbed and should be twenty feet wide, and that all dead trees that might fall across them should be removed. All roads to a ferry, court-house, church, the city of Annapolis, or the town of Oxford were to be marked by two notches cut into the trees at each side of the road. At the point where one road left another, distinguishing notches or brandings were to be placed, which told whether the road led to

[35] A Charles County man asked permission to turn a road aside because in its old course it had three gates in a quarter of a mile (Court Records, June, 1757, Liber F No. 3, binding No. 50, p. 484).

[36] Court Records, August, 1758, Liber K, p. 7.

[37] Petition Book, November, 1729, p. 141. See also Cecil County, Petition Book, June, 1723, p. 28; Queen Anne's County, Court Records, November, 1737, Liber 1735–1739; Charles County, Court Records, June, 1725, Liber P No. 2, binding 35, p. 3.

[38] Lower House Journal, May 15, 1751.

a church, ferry, court-house, Annapolis, or Oxford. Wherever a road ran through "old fields" or a plantation, posts bearing these marks were to be erected near enough together to be seen from one to the other.

These provisions sound very well, but they were not often adhered to.[39] In 1750 the council appointed the attorney-general to look after the administration of the road laws, and made the following complaint: "It appears to this Board that in the several Counties of this Province the Publick and main Roads therein are not cleared, and well grubbed, fit for traveling, neither are they twenty feet wide, nor marked agreeable to the Act of Assembly."[40] Other complaints frequently heard were that the roads were allowed to grow up in bushes, that they were miry, and that they were stopped up by trees blown across them.[41] A Dorchester petition says: "the Road that leads from Transquaking bridge to the Lower Bridge of Chicomacomico . . .

[39] Schoepf complained that the roads were supposed to be kept up, but were nowhere attended to (vol. i, p. 348).

[40] Archives, vol. xxviii, p. 492.

[41] A petition of Augustine Hermann in 1775 said that "part of Delaware highway Road leading from Choptank to Delaware . . . being not only an Antient Way for Travelers but also the bounds of your Petitioners Bohemia Mannor has for some time been Neglected to be Cleared & is much stopped and Grown up to the prejudice of Travellers" (Cecil County, Petition Book, p. 89). Brissot de Warville's description of the road from Susquehanna Ferry to Baltimore runs as follows: "Du bac de la Susquehannah jusqu' à Baltimore, va compte environ soixante milles.—Nous consacrâmes un jour à les parcourir; nous trouvâmes presque par-tout des chemins affreux, dans un terrein argilleux, rempli de profondes ornières, toujours au milieu des forêts, souvent obligés de nous ouvrier un nouveau chemin, l'ancien étant obstrué par des arbres que le vent avoit abattus. On ne conçoit pas comment les voitures ne versent pas souvent. On le doit à leur construction particulière; elles out peu de ressorts, & consequemment peu de jeu; on le doit à l'adresse des conducteurs, qui dirigent fort bien leur chevaux, habitués à ces sortes de routes.—Mais pourquoi ne les répare-t-on pas? Il y a bien des inspecteurs nommés pour examiner les chemins, & quelquefois méme on prononce des amendes. Mais la collusion & la difficulté de les lever rendent la loi inutile: tout se dégrade donc, c'est un des effets de l'esclavage" (J. P. Brissot de Warville, Nouveau Voyage dans les États-Unis de l'Amérique septentrionale, fait en 1788, vol. ii, pp. 177, 178.) See also Charles County, Court Records, Liber Q No. 2, binding 36, p. 117; Cecil County, Petition Book, March, 1724/5, p. 79.

is now tolerably well repaired," but "the path that leads Down the Neck amongst us is so grown up with bushes and old trees blown down across the same and the heads of several Branches so wet and miry that man and horse can scarcely pass without great Danger in the winter."[42] These accounts do not make a very flattering picture of the roads, but all sources agree on the lines of the picture as painted. The most favorable comment to be found is by Alexander Hamilton, who said of Kent County, "The roads here are exceeding good and even, but dusty in the summer, and deep in the winter season."[43]

A very essential part of the road system in a country as well watered as Maryland is the means of crossing marshes and streams. The custom of transporting tobacco hogsheads by rolling made it particularly necessary for roads to be dry and streams to be bridged. Over the numerous swamps, therefore, causeways were frequently built. A description of such a causeway is given in the specifications for the construction of one across the marshes of Kent Narrows in Queen Anne's County. It was to be thirteen feet wide at bottom, ten feet at top, and was to rise two and a half feet above the level of the marsh. Where needful in soft and miry places it was to be underlaid with poles or logs, and enough stakes were to be planted to keep them in place. The whole causeway, possibly about a mile long, was to be constructed at the contract price of twelve thousand pounds of tobacco (about £50 sterling), the county furnishing labor to haul the logs and poles.[44] By an act of 1753 it was required that mill owners building dams where roads had formerly passed should make the top of the dam twelve feet wide so that it might serve as a causeway. They were then excused from work on any other part of the road.[45]

Causeways were not equal to the emergencies of tide or

[42] Court Records, August, 1733, p. 99.
[43] Hamilton's Itinerarium, p. 10.
[44] Court Records, 1723, Liber JK No. B, p. 205.
[45] Bacon, ch. 16.

running water. In dealing with these it was natural that the colonists should at first follow up the smaller streams to fording places, and use them as their regular means of crossing. Not a few fords or "wading places" are spoken of in the county records, but in rolling tobacco a ford, no matter how passable, is a serious obstacle, and at times of freezing and freshets may become impassable.[46] Across the smaller streams nothing but bridges could meet the needs of the colonists. There were no special legal provisions for the erection of bridges, the makers of the law of 1704 probably assuming that such work would be carried out by the overseers in the course of the regular road work. The task proved too difficult for the overseers, however, and the counties fell into the habit of building bridges by special contract. The expense was borne by the county levy.[47] A peculiar arrangement was occasionally made by which the contractor agreed not only to build the bridge, but also to maintain it for a period of years.[48] Bridges between counties were built by a joint commission from the two counties and the expense was divided.[49] On several occasions attempts were made to have the assembly aid in the construction of bridges, a proposal to this effect in 1719 being rejected by the Lower House.[50] In 1737 Baltimore County petitioned for provincial aid in constructing a bridge. The Upper House decided that if any money was to be contributed to such a purpose it should be distributed equally

[46] "Passage over Senecar Creek is often Dangerous by Reason of Freshes & Frost & very Difficult at all times to Transport Tobacco often to its Damage" (Prince George's County, Court Records, Liber X, p. 115). The keeper of the ferry over the mouth of the Monocacy River in 1748 agreed to keep a cart to carry over tobacco and other things when the water was low (Frederick County, Court Records, March, 1748, Liber A, p. 15).

[47] Cecil County, Petition Book, November, 1722, p. 40.

[48] Frederick County, Court Records, June, 1762, Liber L, pp. 448, 450; Prince George's County, Court Records, August, 1738, Liber X, p. 177; November, 1739, p. 276.

[49] Appointments of commissions may be found in Queen Anne's County, Court Records, March, 1732, June, 1747.

[50] Lower House Journal, May 29, 1719.

between the counties.[51] The principle of county control of roads was again upheld, and no money was appropriated.

All bridges, except those repaired by contract, were regularly kept up by the road overseers. In 1724 the complaint was made that many bridges were much out of repair, and that the overseers contended that they were unable to make repairs because the owners of land had warned them against cutting the necessary timber. It was enacted that overseers might cut timber from adjacent lands regardless of the owner's warning, but no timber suitable for clapboards or coopers' use should be taken.[52]

Though small bridges were very numerous, it was far beyond the engineering resources of the colonists to bridge the large rivers. Over these streams was established a series of ferries, becoming gradually very numerous, and the system was thought at that time to be remarkably efficient. Governor Sharpe wrote in 1764 that ferries were established over every river where roads crossed and that a ferryman was constantly in attendance.[53] Eddis also, after remarking that one could not travel any considerable distance without crossing rivers, added: "Over these, regular ferries are established, at the charge of the respective counties; but though every proper method is adopted for expedition, yet such a number of considerable waters unavoidably occasion great delay."[54]

The usual ferry consisted of a flat-bottomed scow, about eight feet by thirty,[55] which was propelled back and forth by the ferryman's pulling on a heavy rope stretched across the river. A Baltimore County contract called for a rope at least four and a half inches around.[56] Other contracts required that the scow be well floored, and that it carry from

[51] Upper House Journal, May 3, 1737.

[52] Bacon, 1724, ch. 14. In 1751 the assembly voted to continue this method of confiscating timber for repairing bridges (Lower House Journal, June, 1751).

[53] Archives, vol. xiv, p. 180.

[54] W. Eddis, Letters from America, p. 19.

[55] That is the size of one mentioned in Prince George's County, Court Records, November, 1742, Liber AA, p. 222.

[56] Court Records, August, 1754, Liber BB No. A, p. 443.

three to six horses.[57] These boats, being flat-bottomed, were able to come close ashore, so that by the letting down of a large apron, or gang-plank, horses and men might pass over to dry land. Occasionally mention is made of a causeway, or even a wharf, built out to facilitate landing. Another sort of ferry was employed to transport passengers across the Chesapeake Bay or such mighty rivers as the lower Potomac. The water at these places varied from three or four to twenty or thirty miles in width, and the ordinary rope-hauled ferry was impracticable. To meet these conditions, commodious sailing boats were provided sufficient to accommodate men and horses on what might prove a tedious and perilous voyage. Sometimes small boats were also kept to provide for travelers without horses.[58]

Passage over these ferries was not always easy or safe. The longer ferries, such as those across the lower Potomac and those from Annapolis to Kent Island and Rock Hall, were on waters noted for sudden gusts and squalls, and were subject to all the difficulties of inland-water navigation. Even the shorter ferries across smaller rivers were not entirely safe. Especially dangerous was the passage with horses. Chalkley tells us that while crossing the Potomac at Piscataway, where the river is about four miles wide, his boat was struck by a great swell which knocked the horses from their footing and nearly filled the boat with water.[59] Hugh Jones also tells us that he lost a brother at the Chickahominy ferry in Virginia.[60]

Even when the element of danger was omitted, the ferries were a constant source of trouble and delay. At best, it was slow traveling when a heavy, loaded boat had to be pulled across a stream by the ferryman and his passengers. Often the ferry-boat was on the other side when needed, and two complete trips had to be made before the traveler was landed

[57] Court Records, November, 1733, Liber JWS No. 9, p. 126; November, 1750, Liber TR No. 6.

[58] Maryland Gazette, March 24, April 26, 1745; June 24, 1746; Callister MSS., July 14, 1762; "William Gregory's Journal," p. 228.

[59] P. 312.

[60] P. 51.

on the opposite shore. When this happened on the Annapolis-Rock Hall ferry, several days might be lost.[61] What was still more exasperating was to find the boat on the other side and the ferryman indifferent about responding to the hail, or even away from his post altogether. In order to avoid the delays incident to finding the boat on the opposite side of the river, Queen Anne's County in 1728 established a second ferry across the Chester River at Chestertown so that one boat might be maintained on the Queen Anne's side.[62]

Complaints against the ferrymen are numerous. A Cecil County petition of 1721 charged "that the County ferry over Elk River to and from our s[d] Court house hath of Late been kept by Negroes whose Master being for the most part absent hath been very Negligient in Discharging their Duty."[63] So frequent were complaints about this time in Cecil County that in November, 1722, the court entered on its records the following memorandum: "It is Mutually agreed by the Justices af[d] as a Standing rule of this Court that in Case aney Just Complaint be made, against the ferry men of the County, before Two Justices of the peace that then it shall be in their power to turn out Such Delinquant and Put in another in his Stead and Place."[64]

As to the manner of control, ferries fell into two great classes, private and public. The private ferry was the ordinary toll institution supported entirely by fees from patrons. In this class belonged all the bay ferries, most of those across the Potomac,[65] and probably many across rivers lying entirely within the colony. These private ferries were subject to no legal control, but competition for business was in some cases very keen and must have exerted some beneficial influence.

---

[61] "William Gregory's Journal" [October 12, 1765], p. 228.
[62] Court Records, November, 1728, Liber PT No. A.
[63] Petition Book, p. 25.
[64] Ibid., p. 41.
[65] Maryland Gazette, April 26, May 24, 1745; June 24, 1746, etc. An advertisement in the Maryland Gazette of July 29, 1746, shows that Virginia maintained at least one public ferry across the Potomac. Residents of Maryland, however, probably had to pay tolls.

The public ferries were usually superintended by the county courts. The courts located the ferry, contracted with the ferryman, and included in the county levy the ferryman's pay. The amounts of these salaries varied widely. Five hundred pounds of tobacco was all that Baltimore County paid for the maintenance of Patapsco ferry in 1719.[66] The same ferry in 1723 paid seven thousand pounds of tobacco,[67] while three, four, five, six, and even eight thousand pounds of tobacco per year were ordinary sums paid by the courts for such service.[68] The memorandum quoted above is the only exception to the general rule that the whole court appointed the ferrymen. Occasionally, special requirements or exemptions were inserted in the contract. The number of horses to be carried, the number of men to be in attendance, the time of attendance (either from sunrise until sunset or at all times), the requirement that the ferry transport wheat or other produce, and the exemption from the same, the transportation of church-goers on Sunday,—all these are to be found in one or another contract between ferrymen and the court.[69] At times the public ferries seem to have been free to all persons,[70] and at other times this privilege seems to have been enjoyed only by the residents of the county that maintained them.[71] The lack of evidence on this point would indicate that in general the public ferries must have

[66] Court Records, November, 1719, Liber JS No. C, p. 242.

[67] Ibid., November, 1723, Liber JS No. TW, p. 83.

[68] Ibid., 1731, Liber HS No. 7, p. 158; November, 1750, Liber TR No. 6; Queen Anne's County, Court Records, November, 1728, Liber PT No. A; Cecil County, Court Records, November, 1718, Liber DK No. 1, inverted p. 150; Baltimore County, Court Records, November, 1718, Liber JS No. C, p. 39; Prince George's County, Court Records, November, 1742, Liber AA, p. 222.

[69] Baltimore County, Court Records, November, 1733, Liber JWS No. 9, p. 126; November, 1750, Liber TR No. 6.

[70] Maryland Gazette, March 22, 1753.

[71] A petition was submitted in 1721 to the Baltimore County court from several planters, who lived in Anne Arundel but had quarters with taxables in Baltimore County, asking that as they paid taxes in Baltimore, they and their messengers should have free passage on Patapsco ferry the same as if they lived within the county (Court Records, March, 1720/1, Liber JS No. C, p. 438). A Frederick County contract restricted the ferryman to not over four pence for man and horse and four shillings for wagons belonging to non-residents (Court Records, March, 1748, Liber A, p. 15).

been free to all, for otherwise some complaints about rates would surely be heard.

Though the county courts managed to keep their control of ferries, their jurisdiction was constantly in dispute. The charter granted the lord proprietor "as ample rights, jurisdictions, privileges, prerogatives, royalties, liberties, immunities, and royal rights, and temporal franchises whatsoever, . . . as any bishop of Durham . . . ever heretofore hath had." Somewhere in this blanket grant of power, the proprietor claimed, was the right to establish and license ferries. In the instructions to the agent, Nicholas Lowe, in 1723, ferry licenses are referred to as an established thing,[72] and in 1731 an account of the proprietary revenues shows a total of £13. 10s. sterling from this source.[73] In 1733 the agent was instructed as follows: "whereas the Justices of Several County Courts have taken upon them to agree for certain rates with persons for keeping Ferrys over several of the Rivers within my province, for the Inhabitants of their Several Countys, & to assess those Rates upon the Inhabitants without any law to warrant such assessment which practice is not only an Invasion of our Right, but an Injury to the people who are assessed contrary to Law; you are therefore hereby Directed to take proper measures to put a Stop to such Illegal practices & to take all necessary care that neither our Right nor property be Invaded or the people Injured or imposed on in that particular."[74] From that time on the contest was waged.

At the November court of that same year in Baltimore County there was read a letter from Daniel Dulany claiming for the proprietor the right to allow ferries, and threatening prosecution against all ferrymen who failed to take out a license from the proprietary agent. The justices entered a formal denial of the proprietor's claims in this matter, and wrote to Governor Ogle to that effect.[75] Notwithstanding

[72] Calvert Papers, MS., No. 278.
[73] Ibid., No. 912.
[74] Ibid., No. 278; No. 295½, p. 61.
[75] Court Records, November, 1733, Liber JWS No. 9, p. 127.

the popular protest, the proprietor's representatives began to enforce their claims by a series of lawsuits against all who failed to purchase licenses. Just what success was attained is not known; but in 1741 the committee of grievances of the Lower House of Assembly reported as follows: "Complaint is made to your Committee, that Persons Traveling the King's High-Ways of this Province, are stopt and hindered in their Journeys, and prosecuting their lawful Affairs, tho' of never so great Importance Publick or Private, by means of the Restraint laid on the several Ferries on such High-Ways, by his Lordship's Agents and Ministers, who by vexing and terrifying the People with vexatious Law Suits and heavy Fines who should (as usual it had been) transport or carry over such Ferries in the High-Ways aforesaid, his Majesty's Subjects, unless they should have First compounded with his Lordship's Agents or Ministers for an exorbitant and yearly Sum, to be paid out of their Labour, by way of a Fine for a License for so doing." This was followed by a long argument against the proprietor's right to such a prerogative. The report was concurred in by a vote of 36 to 3.[76] The protest of the assembly brought the proceedings to a halt, and throughout the life of the old proprietor the claim was allowed to sleep.

The young proprietor again put forth this claim, and in 1752 issued instructions that "It is necessary also to have a distinct account of all Tenants holding Ferrys in each County, whether granted by Leases to the County Courts or private Persons."[77] No headway whatever was made in the matter.[78] In 1761 Lord Baltimore must again have been

[76] Lower House Journal, June 12, 15, 1741. A copy of the license issued to a Severn River ferryman includes the following list of tolls that might be charged: for every man with horse, 12d. currency; man alone, 6d. currency; for every coach, chaise, wagon, or cart, 2s. 6d. currency; for every horse drawing the same, 6d. currency; for every steer or cow, 6d. currency; and for every sheep or hog, 2d. currency; the proprietor, governor, councillors, chancellor, commissary-general, secretary, agent, and attorney-general, with their servants, attendants, and horses, were to travel toll free.

[77] Calvert Papers, No. 2, p. 143.

[78] Governor Sharpe wrote the following summary of the controversy: "His Ldp also claims as his Right by prerogative a Fine

seeking to revive this claim. Something from the proprietor elicited the following reply from Governor Sharpe: "I beg leave to inform Your Ldp that there never hath been since the Country was settled any Money paid by the Keepers of Ferries in this Province for Leave or Lycence to keep them most of the Ferries over the Rivers in this Province are supported & the Keepers of them paid by an Allowance made them every year in the County Levy, & those who are not so paid demand & receive from Passengers such Rates as they have themselves settled."[79] Although Sharpe was not exactly accurate in his historical statements, he expressed the final conclusion on the condition of the ferries. He might well have added in the words of a former letter, "most certainly a Regulation is necessary but the people will never vest the proprietor with the Right & power of granting Lycences, & he will not pass a Regulating Bill witho^{t} it." This last statement shows why ferries were left entirely to county control without any provincial legislation.

Over these highways passed the traffic and travel of the colony. The most important article of transportation was tobacco. In the earliest days every plantation stretched along the water front, and the tobacco did not have to be moved a great distance; consequently, wagons were unnecessary, and the colonists fell into the habit of rolling the hogsheads from the barns to the landings.[80] As settlements

for Lycencing Ferries, so did the late Lord once & to quiet the peoples Clamour immediately dropt the Affair, at this time some of our Ferries are kept by Order of the County Courts the person who keeps the Boats has a Sum of Tob^{o} levied by the Justices on the C^{ty} for his payment and the Ferry is free, other Ferries are kept by private persons who demand of Passengers what they please & passengers must pay their Demand or be refused conveyance, most certainly a Regulation is necessary but the people will never vest the proprietor with the Right & power of granting Lycences, & he will not pass a Regulating Bill Witho^{t} it" (Archives, vol. vi, p. 236).

[79] Ibid., vol. ix, p. 509.

[80] In most instances the method of rolling the tobacco was simply to put several men behind the hogshead to push it. There are, however, still traditions in the tobacco counties of the State of so packing the hogshead that a pole could be put through the center, to which a horse might be harnessed. This method may have been

pushed back, this method of transportation continued in vogue, so that in the middle years of the eighteenth century tobacco was sometimes rolled over great distances. As settlements pushed up the Potomac, tobacco-producing communities were located as much as thirty or forty miles from water facilities. From the upper waters of the Patuxent, from the region of Sugar Loaf Mountain, even from Seneca and Monocacy Creeks tobacco was rolled down to tide-water on the Potomac.[81]

This method of transporting tobacco was, from the point of view of the merchants, anything but satisfactory. The shattering of the tobacco caused by a long roll was such as to diminish greatly its value, and occasionally the head was jostled out of the hogshead, with very disastrous results.[82] In 1719 several shipmasters petitioned against the practice. In the letter from the London merchants to the Maryland planters in 1729 it was said that the Virginia planters had ceased to roll tobacco, and Marylanders were strongly urged to do likewise.[83] But the merchants had another interest in the moving of tobacco besides the protection of the crop. It was an old custom that the sailors of the vessels should receive the hogsheads at the planters' barns, and roll them to the water. When plantations were along the rivers, this was a slight burden, but as settlements pushed back, the sailors began to complain. A sympathetic description of the sailors' lot was given in an anonymous pamphlet of 1727. "The Rolling of our *Tobacco,*" it says, "which may be easily done with Horses, and is indeed unfit for Men, wou'd remove the

in use in Maryland during colonial days, but I have seen no records that indicate it. Hugh Jones, speaking of Virginia, said that tobacco was rolled, drawn by horses, or carted (p. 55).

[81] Prince George's County, Court Records, August, 1746, Liber FF, p. 6; November, 1746, Liber FF, p. 178; March, 1744, Liber CC, p. 294.

[82] "The Tob°. they buy is often roll'd 20 Miles & upwards w^h^. is not only a great charge upon it, but it is always damaged by it & shaken to pieces both inside and outside" (Callister MSS., about 1745). See also "Letter by A. B.," in Maryland Gazette, May 5, 1747.

[83] Lower House Journal, May 21, 22, 1719; Maryland Gazette, April 15, 1729.

Reproach which *Maryland* but too justly lies under, of being one of the worst countries in the Universe for Sailors; For, beside the Fatigue of long Rolls, the People are so very backwards (in many parts of the Country,) in getting their *Tobacco* ready, that it is mostly to be Roll'd when the Weather is excessively hot. The Labour and Heat together being vastly disproportionable to a Man's Strength, his Spirits are exhausted to that degree that he is in danger of being destroyed by the Draught of cold Water he drinks, which has been the melancholly Fate of many an able Sailor."[84] We omit the picture of the sailor's bereaved family which follows.

In response to the complaints of the merchants, the assembly in 1727 required under a penalty of one hundred pounds of tobacco that all persons paying out tobacco should, within five days after receiving a written request, roll their hogsheads to within a mile of some convenient landing. Six pence per mile was to be allowed on every hogshead by the person ordering it to be rolled. All persons who shipped their own tobacco were also to roll it within a mile of a landing.[85] In the next year complaints were so numerous that the assembly repealed this clause.[86] There appears to have been no other legislation on this subject until the tobacco inspection act of 1747. This law relieved the merchants of the necessity of having their sailors gather up the tobacco, but it did not make any change in the custom of rolling it. In fact, this remained the regular method of transporting that crop in Maryland down to the end of the colonial period.

The prevalence of rolling does not necessarily argue the absence of horses. Packhorses seem to have been used

[84] A Letter from a Freeholder, to a Member of the Lower-House of Assembly, Annapolis, 1727, p. 9 (New York Public Library).

[85] Laws of 1727, p. 11.

[86] Lower House Journal, October 31, 1728; Laws of 1728, p. 15; Bacon, 1728, ch. 10. A Memorial Relating to the Tobacco-Trade. Offer'd to The Consideration of the Planters of Virginia and Maryland, Williamsburg, 1737 (John Carter Brown Library), says that Marylanders have to roll tobacco to landings so that sailors can get it.

occasionally on the frontier,[87] but no mention is ever made of them in the tide-water region. In the early years of the eighteenth century wagons seem to have been very scarce, for few references are made to them in the records; but as the century advances notices become somewhat more frequent. The merchants' letter referred to above asserted that the people had plenty of horses and might have carts or sledges, which certainly implies that the latter were not very numerous. The inventories of intestates' property, though occasionally showing a cart, wagon, or pair of wheels,[88] make it evident that carts were not common.

In two parts of the colony carts and wagons seem to have been more plentiful than in the rest,—the northern part of the Eastern Shore, and the far west. In both these regions road petitions make constant reference to cart and wagon roads, and transportation by these means is frequently mentioned. As early as 1729 John Carnan advertised that he kept "Carts and Horses, for carrying Goods by Land between the Two Bays of Del. and Ches., that is, between Apoquinonny and Bohemia Landings."[89] By 1760 it was apparently not uncommon for men to peddle such supplies as butter over a large part of the Eastern Shore.[90] The extensive use of wagons in western Maryland is very well attested. Goods were regularly hauled to and from Baltimore by people living as far west as the Monocacy and beyond.[91] Wagon roads to Baltimore were the most im-

[87] Frederick County, Court Records, March, 1750, Liber C, p. 296. Braddock was informed that fifteen hundred "Carrying horses" could be provided from the Frederick region (Sargent, p. 288).

[88] A wagon "completely ironed" is mentioned in a bill of sale in Kent County (Bills of Sale and Mortgages, 1757, Liber A, p. 143). Such notices as this are occasionally seen.

[89] Maryland Gazette, June 10, 1729; Callister MSS., June 28, 1763.

[90] "If any butter monger should come to G. town [Georgetown, Kent County] whos a quantity of both tub and pot butter, I shall take it as a favour that you get some good woman to chuse for me 60 or 80^{l} of pot fresh butter & 200^{l} of salt d^{o}. and I will pay him the price you agree with him to deliver it to me here; which perhaps may be in his way to Talbot, or not much out of his way if he goes with the rest to Newton" (Callister MSS., October 16, 1762).

[91] "We have sent Mr. Wolgamots Wagon for the Goods mentioned in the Enclos'd Invoyce" (Shelby, of Frederick, to Hughes, of Baltimore, in Chancery Record, Liber DD No. 2, p. 334).

portant part of the road system in this region. The best proof of the wide-spread use of wagons in the western county is the well-known instance of the procuring by Franklin and others[92] of hundreds of wagons to transport the Braddock Expedition. These two regions—the first with greater opportunities and the second under severer necessities—outstripped the other parts of the colony in methods of transportation, and were making wide use of wheeled vehicles for hauling at a time when a farm wagon or even a cart was exceptional in the other counties.[93]

The history of the transportation of persons is somewhat different from that of goods. The most primitive and, until very recent years, the most effective way of transporting persons, for long distances or short, was on horseback. Every colonial traveler who has left us an account of Maryland came into the colony either by sea or on horseback. It was the only method of long-distance land travel, for stage coaches had not yet begun to run.

For traveling short distances, coaches, chaises, and chairs (two-wheeled gigs) were very common. It is impossible to tell when these luxuries were first introduced, but it is probable that they were not numerous before the fourth or fifth decade of the eighteenth century. In 1732 John Stokes of Baltimore County had two carts with broken wheels and a chariot valued at £45.[94] After about the middle of the century notices of carriages of one kind or another are more frequent, especially in the northern part of the Eastern Shore, where the level country made fairly good roads pos-

[92] Sargent, pp. 288, 308. Many of these came from Pennsylvania, but there were practically no economic differences between western Pennsylvania and western Maryland.

[93] The following are some references to other counties: Maryland Gazette, October 5, 1752, contains the advertisement of a carter in Annapolis, and speaks of competition in the business. A bill for carting in Charles County is to be found in Court Records, March, 1725/6, Liber P No. 2, binding no. 35, p. 203. A road passable for rolling or carting is mentioned in Court Records, Baltimore County, November, 1729, Liber HWS No. 6, p. 312.

[94] Inventories, 1732, Liber D 4, p. 441.

sible. Wagon and chaise makers are sometimes found.[95] In Queen Anne's County in 1747 there was advertised for hire a two-wheeled chair, a horse, and a driver, convenient for traveling between Chestertown, Kent Island, and Talbot court-house.[96] Carriages were sufficiently numerous in 1754 to constitute a convenient taxable article, and among the imposts laid for the sinking of £6000 of paper money issued for war expenses was five shillings currency per wheel on all coaches, chairs, and chaises.[97] Returns from this tax between February, 1758, and November, 1762, amounted to £726. 7s. 5d.[98] Making some allowance for collector's commissions, and estimating two two-wheeled chairs to each four-wheeled vehicle, it is seen that this tax represents about three hundred vehicles of all sorts. This estimate is probably low, for it is not conceivable that the tax lists were exhaustive, and it is very probable that the two-wheeled vehicles were in a much larger proportion. Probably about four hundred is a fair estimate of the number of carriages of all sorts in use at that time by the one hundred and fifty thousand inhabitants.

An important adjunct to the road system was the means of entertaining travelers. Maryland was not inhospitable to visitors if hospitality may be judged by the number of houses of public entertainment, or ordinaries. The license reports for 1746 show 845 licensed ordinaries in the colony.[99]

---

[95] Maryland Gazette, November 18, 1756; Kent County, Court Records, March, 1758, Liber JS No. 23, p. 188. The value of a riding chair is placed at £22.

[96] Maryland Gazette, June 23, 1747.

[97] Bacon, 1754, ch. 9. Coachmen and footmen are occasionally mentioned (C. M. Andrews, Guide to the Materials for American History, to 1783, in the Public Record Office of Great Britain, vol. ii, pp. 322, 323).

[98] Lower House Journal, April 24, 1762.

[99] The list of counties is as follows:—

Prince George's	164	Calvert	22	Somerset	35
Anne Arundel	91	St. Mary's	27	Worcester	20
Queen Anne's	61	Charles	79	Kent	59
Dorchester	27	Talbot	31	Baltimore	130
Cecil	99				

—Upper House Journal, March 27, 1746.

The report of the year before showed 58 in the city of Annapolis.[100]

This large number of taverns is to be accounted for in several ways. The legitimate business of entertaining the traveling public could not have been very large, but in a thinly populated country, hospitality to the stranger is a prime necessity, and tradition ruled that nobody should be turned away from one's door. As the law forbade the sale of food and drink without a license, any household that wished protection from the drain of a somewhat enforced hospitality was compelled to take out a license as a regular ordinary. Petitions for licenses on these grounds are very frequent.[101] A typical request of this kind says "that your Worships petitioner hath for some Years past and still is by reason of his living on two publick roads very much opressed by Travellers particularly by divers persons driving large droves of Cattle to the great detriment of your petitioner & trouble of his family w^{ch} grievance cannot be remedyed otherwise than by your petitioners keeping House of publick Entertainment."[102] In some instances, however, the taking out of a license for an ordinary was not an act of unwelcome necessity. Ordinary-keeping was at times a paying business, and locations much frequented by travelers were in demand for this purpose.[103]

The most valuable part of the ordinary's trade was not the accommodation of travelers, but the satisfaction of the local appetite for strong drink. It was at the ordinary that the country-side gathered for its revels. Hamilton tells of seeing "a drunken Club dismissing" at Tradaway's inn near

[100] Lower House Journal, August 16, 1745.

[101] Baltimore County, Court Records, August and November, 1721, Liber JS No. C, pp. 549, 621; Cecil County, Petition Book, November, 1724, p. 68; June, 1727, p. 111; November, 1731, p. 174; Queen Anne's County, Court Records, November, 1735; November, 1736, passim.

[102] Queen Anne's County, Court Records, June, 1739, Liber 1735–1739.

[103] Henry Callister, in offering his land for sale, says that it is a location fit for a merchant, innkeeper, or ferryman (Callister MSS., 1763).

Joppa. The landlord "made that trite apology,—That indeed he did not care to have such disorderly fellows come about his house; . . . but these were country people, his neighbours, and it was not prudent to disoblige them upon slight occasions."[104] Herein lay the profit in the business.

Persistent attempts were made to regulate taverns by law.[105] In 1717 an act was passed for this purpose, but of its provisions very little is known.[106] From the county court records it is evident that a license tax of five hundred pounds of tobacco was laid, that a bond of £20 sterling was required to guarantee that no dissolute person would be entertained (unless such person was capable of giving a vote for the delegates to the Lower House), and that the justices were enabled to set the prices for the various kinds of food, drink, and entertainment.[107] This act expired in 1729, and another law for the same purpose was passed in 1735 and ran until 1739. In this act also a license fee was levied, which was granted to the proprietor,[108] but when the time came for renewal in 1739, the Lower House disputed the right of the proprietor to these revenues, and though the governor threatened to reject all bills that had been passed that session, the house stood firm.[109] During the next year ordinaries were entirely without regulation.

In 1740 the expedition to the West Indies gave the Lower House an opportunity to defeat the proprietor's claim to the license money from ordinaries by appropriating the money in a way which the governor dared not reject. After a controversy between the two houses,[110] an act was passed

[104] Hamilton's Itinerarium, p. 5.

[105] They had been regulated before 1689, and a license imposed before that date had proved a great bone of contention during the royal government.

[106] Bacon, 1717, ch. 1. The volume of laws, LL No. 4, covering this period is lost.

[107] Kent County, Court Records, August, 1724, Liber JS No. AB, p. 213; November, 1724, Liber JS No. AD, p. 46; Baltimore County, Court Records, August, 1719, Liber JS No. C, p. 230; Queen Anne's County, Court Records, March, 1718/9.

[108] Bacon, 1735, ch. 8.

[109] Lower House Journal, June 8, 9, 1739.

[110] Ibid., July 16, 17, 1740.

by which a license tax of £5 currency was laid on all ordinaries in Annapolis, and fifty shillings currency on all in the counties. These revenues, with others, were appropriated to the sinking fund for the expenses of the West India expedition. A full code of regulations was included in the act. The county courts, as usual, were permitted to draw up a schedule of tariffs, a copy of which must be posted in each ordinary.[111] In the county seats ordinaries were required to have at least four beds and stabling for ten horses, and in other places, two beds and stabling for six horses. Keepers were excluded from public office, and were required to give bond for £40 currency as a guarantee that they would not permit tippling and gaming. Servants were not to be entertained without the consent of their masters, and sailors and persons with families and no estates were not to be trusted for anything except necessary victuals and drink.[112] After the expiration of this act, it was in all essential points continued by an act of 1746, which in turn was continued in 1754 and 1756, but expired in 1763.[113] During all these continuations the revenue from licenses was

[111] The following is a copy of such a schedule:—

	s.	d.
Hot meal with pint of small beer or cider....	1	3
Cold meal with pint of small beer or cider....	1	0
Lodging	0	6
Canary wine per qt.	6	0
Port wine per qt.	5	0
Madeira wine per qt.	3	0
Horse pasturage	0	6
Corn or oats per peck.....	1	6
Stablage with hay or fodder.....	0	6
Rum per qt.	3	0

—Baltimore County, Court Records, November, 1742, Liber TB No. D, p. 65.

[112] Acts of July, 1740, p. 1. The last provision runs as follows: "Whereas it is a general Complaint throughout this Province, that Ordinary-keepers have made it their constant practice to entertain Tradesmen and other Persons having Families, and no other Means of Supporting them but their own Labour and Industry, and single disorderly Persons, Tippling and Gaming in their Houses, and wasting their Time and Substance, to the Ruin of their Families, and themselves, and the encouragement of Idleness, Drunkenness, and all other Irregularities and Disorders, be it enacted," and so on.

[113] Bacon, 1746, ch. 1; Acts of 1746, pp. 10–17.

appropriated to some fund for provincial defense, which made it difficult for the governor or the Upper House to reject any of the bills.

The proprietor, however, did not surrender his claim to the right to license ordinaries and to receive the revenues therefrom. When Frederick, Lord Baltimore, came into possession, he attempted to assert this claim along with several others, and granted the proceeds from these licenses to his uncle, Cecilius Calvert, as part payment of his salary as secretary.[114] Governor Sharpe was instructed to issue these licenses and collect the fees, but he found it impossible to obey as long as the act of 1746 was in force.[115] He took up the fight in 1754 and 1755, when the subject again came before the assembly, but his council was weakening in its support of the proprietor's claim, and on its advice Sharpe ignored his instructions and passed the act of 1754. In 1755, however, with peremptory orders from the proprietor, the governor became stricter, and allowed the appropriations for war expenses to fail entirely because the Lower House insisted on mortgaging these licenses still further.[116] For five successive sessions the assembly was at a dead-lock over this matter, and the colony was left without any provision for defense. This state of affairs could not continue long, and in 1756 the proprietor was forced to give way and permit Sharpe to pass the act of that year, which mortgaged the licenses until an appropriation of £40,000 then made should be entirely refunded.[117]

Even this defeat did not settle the controversy, for in 1763, after the expiration of all the acts appropriating the license money, the battle was renewed. In that year a movement was started to appropriate this money to the maintenance of a military force on the western border. This seems to have given place to an attempt to use the money for the

[114] Lower House Journal, July 7, 1755.
[115] Archives, vol. vi, p. 12.
[116] Lower House Journal, March 26, 1755; Archives, vol. vi, pp. 235, 236.
[117] Archives, vol. vi, p. 424.

support of a college. A bill for this latter purpose was favored by the council, but was rejected by the proprietor.[118] Notwithstanding the opposition of almost every one in the colony,[119] in 1765 the proprietor again instructed the governor to insist upon the claim. In 1766 the members of the council were themselves so strongly opposed to the proprietor[120] that he was finally induced to yield, and from this time on ordinaries were peacefully regulated by the assembly.

Consideration has been given thus far only to methods of travel and trade by land, but a large part of the traffic in Maryland was by water. No one unfamiliar with the magnificent rivers and bays of this region can appreciate the wonderful facilities for transportation by water, and no one who has not had personal experience of the canoes,[121] bateaux, and larger vessels in use today in Maryland is in a position to picture the amphibious life of the colonist. The streams in colonial times were navigable much farther up than they are today. Almost every up-stream community at the present time has its tradition that large ships once came up to some neighboring mud-hole now scarcely navigable by a skiff. Bladensburg and Elk Ridge boasted of their sea-going shipping, and even Beall Town, far up the

[118] Archives, vol. xiv, pp. 152, 175, 193; Calvert Papers, No. 2, pp. 252, 255.

[119] Calvert Papers, No. 2, pp. 239, 240. Sharpe wrote to Secretary Calvert in 1763: "Since I am on this Subject which will probably be a Fund of much Contention at future Sessions I think it my Duty to observe to you that upon my saying one Day when the last mentioned Bill was on the Carpet that His Lordship conceived he had a Right to a Fine on granting Ordinary Lycenses Mr Dulany declared that for his part he had no Idea of a Right without a Remedy & that he could not see how His Ldp could support any Claim or Pretentions to such an Emolument, Such being the Doctrine which is generally received in the Province there is not I am afraid any great probability of the questions being speedily determined here in a manner advantageous to either His Lordship or yourself, but you may depend on my adhering to that matter" (Archives, vol. xiv, pp. 125, 126).

[120] Archives, vol. xxxii, pp. 143–147.

[121] The Chesapeake canoe is a boat dug out of one or more logs. Often as many as five or six logs are fitted together, making a boat from twenty to fifty feet long and from five to ten feet wide.

East Branch of the Potomac, considered itself on navigable waters.[122]

On the most frequented courses of travel sailing ferries and regular establishments for hiring boats were maintained. As early as 1729 John Carnan kept at Bohemia Landing, where travelers from Philadelphia first reached Chesapeake waters, not only carts and horses to bring goods across the portage, but also a sloop and hands to transport goods and passengers to any part of Maryland or Virginia.[123] In 1746 two ferries were in operation between Annapolis and Kent Island, one of which advertised as rates ten shillings for a passenger and horse or two passengers and seven shillings six pence for a single passenger.[124] In 1761 there was advertised a scheme for running a decked boat weekly between Annapolis and Oxford. All persons subscribing thirty shillings a year toward the enterprise were to have free passage, but must find their own food.[125] Sailing ferries were also maintained over the Potomac, and in addition to these public water conveyances, there were thousands of privately owned canoes, sloops, and bateaux, in which the people moved up and down the watercourses just as freely as inland people moved along the roads.

Henry Callister's papers show a comparatively large volume of bay and river trade in wheat, flour, bran, and other goods.[126] It is probable, however, that there was more local trade in his community (Chester River) than in any other part of the province. In collecting the cargoes of the larger sea-going vessels the small boats of the colony had a more active business than in purely local trade. In loading tobacco, especially, large ships anchored in the open roadsteads, and sloops, flats, and other small craft brought the

[122] Prince George's County, Court Records, August, 1738, Liber X, p. 109.
[123] Maryland Gazette, June 10, 1729.
[124] Ibid., June 24, December 9, 1746.
[125] Ibid., April 2, 1761.
[126] Callister MSS., May 4, 1746; November 10, December 12, 1761. See also Baltimore County, Court Records, March, 1720/1, Liber JS No. C, p. 475.

hogsheads from various landings for miles around.[127] In the southern part of the colony tobacco was at times sent across the bay in sloops to be transferred to some larger vessel, and in the north, ships regularly lay in the mouths of Back, Middle, and Bush Rivers and received tobacco from both sides of the bay.

In dispersing the cargo of an incoming vessel, the small boat was equally indispensable. Merchants with more than one store usually despatched their ships to their most important agency, and sent on the cargoes for their outlying stores by sloops.[128] In many cases shipmasters left small parcels of goods at the most convenient places to be sent for by the consignee.[129] Thus, Molleson wrote to Charles Ridgely in 1766 that certain goods that were too late for the Patapsco ships would be sent by some Eastern Shore ship that touched at Annapolis.[130] It was expected that Ridgely would have a small boat go down to Annapolis for them.

If the water was a bond of union between the inhabitants of the colony, it was no less a door of ready access for England. "Every river and creek are harbours, and most people have landing-places at their plantations," wrote Governor Nicholson.[131] He intended to imply that these harbors and landing-places were used by sea-going vessels. In fact, trade with England was directly from the plantation landing to the London dock. Ships from abroad came not only to a distant port, but right to a planter's landing, and spent four or five months each year anchored probably in sight of his house.

Communication by water, though very direct and convenient, was attended by many perils. The dangers of the sea were much greater at that time than in this day of im-

[127] Jones, p. 55; Dulany Papers, box 1, No. 83; Callister MSS., November 12, 1745; July 9, 1751.

[128] Ridgely Papers, July 10, 13, 1761; June 4, 23, 1764; Callister MSS., August, 1748.

[129] Callister MSS., May 13, 1759; July 2, 1761; Maryland Gazette, July 26, 1745; April 8, 1746; February 8, 1759.

[130] Ridgely Papers, 1766.

[131] Calendar of State Papers, Colonial Series, America and West Indies, 1696–1697, p. 421.

proved shipbuilding, and aids to navigation were entirely wanting. No sea-going captain can be expected to know all the harbors that he touches, and local pilots are often necessary. In 1734 Henry Ward, then agent, was instructed to license pilots for Maryland,[132] and a few such permits were issued. The proprietor, however, refused to prosecute persons piloting without licenses, and the whole system failed. In 1754 the plan was revived, but its hopelessness was shown by Governor Sharpe's suggestion that the merchants be persuaded to order their captains to employ none but licensed men. In 1754, as in 1734 and 1735, no success was had with the licensing plan, and the idea seems to have been entirely abandoned.[133] That individuals followed the business is seen by the advertisement of Richard Bryan, wherein he offers to pilot from Annapolis to the Patapsco for £3, to the Susquehanna for £5, and to Cape Henry for seven pistoles.[134]

Another protection to navigation that was lacking in colonial Maryland was a system of buoys and lighthouses. The province never took any steps whatever toward the marking of channels. In 1721 Virginia suggested that the two colonies erect a lighthouse at Cape Henry, and asked the Maryland assembly to contribute £150 sterling toward the building and £80 sterling per year for its maintenance. The Lower House refused to agree to the plan, partly because it was uncertain about the proportion of the cost that Maryland would be paying, and partly because it was doubtful of the real value of such a light to the shipping.[135] The suggestion was renewed by Virginia in 1728[136] and again in 1756,[137] but no action was taken. In 1752 Virginia proceeded to act alone, and levied a tonnage duty on all ships entering and leaving the Chesapeake. The act was disallowed by the Privy Council on the grounds that it was indefinite as to

[132] Calvert Papers, MS., No. 295½, p. 65.
[133] Archives, vol. vi, pp. 92, 408; Calvert Papers, No. 2, p. 180.
[134] Maryland Gazette, April 17, 1755.
[135] Upper House Journal, July 19, 1721.
[136] Ibid., October 4, 1728; Board of Trade Journal, vol. xxxviii (Public Record Office, C. O. 391: 37), p. 270.
[137] Archives, vol. vi, p. 509.

the cost of the light, that it was a burden on British shipping, and that it was an unjust tax on Maryland ships.[138] It was not until after the close of the period under discussion that vessels entering the capes were given this needed protection.

Maryland's waterways required a certain amount of care and safeguarding, which the assembly in a small way was willing to grant. Many vessels entered in ballast, and the captains were accustomed to throw their ballast overboard after anchoring in a safe harbor. This dumping of large quantities of stone into the best harbors of the colony tended to fill them up and ruin them for the larger ships. An act of 1704 made it illegal to throw ballast into the rivers or bays below high-water mark.[139] This required that stone should be carried ashore,—a burdensome task,— and as there was no penalty provided for masters the rule was seldom obeyed. A new act passed in 1735 provided that no ballast should be thrown overboard at night and none should be thrown into the bay above Cedar Point or into any river below low-water mark. A penalty of £50 currency was to be paid by any shipmaster who infringed the law. This act seems to have met the conditions, for it was several times renewed, and finally made perpetual.[140]

Another difficulty in the maintenance of the waterways was caused by the natural filling up of many of the smaller streams. This process is well pictured in a petition of the inhabitants around Beall Town on the Eastern Branch of the Potomac, which "Sheweth that the Feshes [Freshets] have Brought Down Trees & Trash which is Lodged in & Choak'd up the Channell in the Said Branch so that Boats & other Craft Cannot be Brought up to Lade or Relade goods at the usuall Landing place."[141] This and possibly many

[138] Acts of Privy Council, Col., vol. iv, p. 401.

[139] Bacon, 1704, ch. 90; Parks, p. 45.

[140] Bacon, 1735, ch. 16. In 1753 an act was passed to prevent the iron works along the Patapsco from throwing dirt into the river so that it could wash down into the channel (ibid., 1753, ch. 27).

[141] Prince George's County, Court Records, August, 1738, Liber X, p. 109.

other similar cases were attended to by the counties. The assembly, on the other hand, was called upon to keep clear the upper Potomac, the Monocacy, and the Conococheague.[142] Late in the colonial period there was a movement on foot to open up the Potomac to navigation around the Great Falls and other obstructions.[143] This movement was taken up by the famous Ohio Company, but no solution of the problem was reached until the construction of the Chesapeake and Ohio Canal. During the period under consideration the opening of the upper Patuxent was of greater interest to the assembly than that of the upper Potomac. The people of Anne Arundel and Prince George's Counties began the movement to open the river for about twenty miles above Queen Anne Town, and petitioned the assembly to give them sufficient power and protection in the enterprise. By an act of 1733 it was made lawful for the residents to raise a subscription for the purpose, and it was made unlawful to obstruct the river by weirs or by the felling of trees into it. The petitioners were required to begin work within six months.[144] The river was probably opened by this body of people, for in 1736 the Patuxent Iron Company was granted permission to clear a tow-path on the banks of the river.[145] The western branch of the Patuxent leading to Upper Marlboro showed the same tendency to fill up, and in 1759 a lottery was drawn to raise funds to clear the river and build a wharf at Upper Marlboro.[146] All these waters are now mere babbling streams dignified by the name river only out of courtesy to the breadth of their lower reaches.

One might conclude that with such a wealth of means of travel and communication Maryland would be the most closely integrated colony in America, but it must be remembered that the same stream that forms the finest of highways for the canoe is prohibitive to the horse, and the

[142] Lower House Journal, March 25, 1765.
[143] Eddis, p. 5; B. Sollers, "Jonathan Hagar," in German Historical Society, Report 2, p. 20.
[144] Bacon, 1733, ch. 9.
[145] Ibid., 1736, ch. 15.
[146] Maryland Gazette, May 31, 1759.

smoothest of roads is of no use to the man in a bateau. In other words, as long as a traveler could make use of a single mode of travel he would fare well enough in Maryland, but there were great difficulties in changing from one mode to another. Thus, the people all along the shores of a river would meet with each other by boat and the people living on a single body of land would meet through land travel, but an inhabitant living a little back from the water on one peninsula, or neck of land, rarely ever saw an inhabitant of another neck. Maryland is so cut up by the estuaries of the Chesapeake that the various necks are small, and it follows that the communities in which there was close intercourse were necessarily not large. Local travel, in other words, was much hindered by the alternation of land and water.

Intercolonial travel was not affected by this condition. Along the three great highways that have been pointed out a few people were constantly moving. The greatest stream of travelers came across from Philadelphia, around the head of the bay, down to Annapolis, and across to Virginia.[147] A much smaller stream came down the eastern side of the bay, some travelers going on across into the Eastern Shore of Virginia. A goodly number, mostly Germans and many of them settlers, passed from Pennsylvania into Virginia through the Monocacy and Antietam Valleys and Harper's Ferry. Almost all the travelers who have left us accounts of their visits passed along one or the other of these highways. It would be interesting to know how many persons traveled any one of these routes, but even a guess is impossible. In Cecil County two of the routes met, and in the records of that region travelers are often spoken of. Many of them, however, were probably not going further than Philadelphia. Hamilton in this part of his journey found three road-companions.[148] An intercolonial journey could not have been a very serious matter, for in pursuit of a runaway thief Callister sent a messenger two or three

[147] The Vade Mecum for America gives a table of places and distances on this route (p. 203).
[148] P. 13.

hundred miles toward Charleston, South Carolina,[149] and trips to distant colonies, such as that by Hamilton, were sometimes undertaken for very slight reasons. Traveling preachers wandered far and wide over the continent, and business men would cross several colonies to arrange a deal or collect a bill.[150]

Considerable interest attaches to the time required for these journeys. Hamilton, in good weather, traveled from Annapolis to Philadelphia in eight days, but certainly two and possibly three of these days were unnecessary. He spent three on the road to New York, and five more in going to Albany. This would make Philadelphia five or six days from Annapolis, and New York eight or nine. On the return trip he traveled ten days altogether between New York and Annapolis. This must be considered fast travel, for in Rhode Island he met a commercial traveler who had spent sixteen days on the road from Joppa, Maryland, a full day north of Annapolis.[151] This man's time from Annapolis to New York would be about eleven or twelve days. William Gregory in 1765 took four days to cross Maryland from the Potomac ferry to Castine Bridge, near New Castle, Delaware. On his return he crossed from Delaware to Alexandria by way of the Rock Hall-Annapolis ferry in three days. It was a full day of hard travel from Annapolis to Alexandria.[152] In 1760 there was a race on horseback between Frederick and Annapolis, the distance of seventy-five or eighty miles being covered in exactly eleven hours. This, of course, was the fastest possible time.[153]

Travel between Maryland and England was in various ways more comfortable than that between the colonies. In many instances the traveler could embark at his own plantation, and with more or less comfort sail directly for the mother-country. There were always in the colony many persons who had just arrived from abroad. Almost everybody

[149] Callister MSS., July 17, 1762.
[150] Hamilton's Itinerarium, p. 193; Clark Letter-book.
[151] P. 193.
[152] "William Gregory's Journal," pp. 226–229.
[153] Maryland Gazette, August 14, 1760.

numbered among his personal friends some sailor, shipmaster, or merchant who was constantly making the trip, and a great many Marylanders went "home" themselves. The cost of passage across was only from £2 to £6,[154] the passengers providing their own food.[155] With the steady inflow of new immigrants, the constant moving back and forth of the professional sailors and merchants, and not a few planters crossing the ocean, intercourse between Maryland and England was nearly continuous.

Where there is much travel, means of communication are naturally abundant. Between Maryland and England, therefore, connections were direct, though not always swift. The tobacco ships sailed in the summer and fall, and one might have much trouble in sending a letter in the winter or early spring. At these times mail matter had to go by way of Philadelphia or New York.[156] At all other times communication with the mother-country both by letter and by word of mouth was free and sure. The planter saw his London merchant, or his responsible representative from home, every year. The time of passage was only about six or eight weeks,[157] and at least once a year, usually oftener, the Maryland planter had London news more direct than did some of the country gentlemen of England itself, and almost as fresh. Even the news-letter, so familiar in England at this time, was not unknown in Maryland.[158] It is a well-known fact that communication with England was much closer than with some of the other colonies, news

[154] Somerset County, Court Records, June, 1733, Liber GY, p. 21; Provincial Court Record, October, 1734, Liber EI No. 1, Binding No. 26, p. 185; Kent County, Court Records, March, 1743, Liber JS No. 30, p. 317. The total cost of a passage with board charged against one Frances Allen in 1738 was £6 sterling (Baltimore County, Court Records, August, 1738, Liber HWS No. JA 2, p. 269).

[155] An article in the Maryland Gazette (August 11, 1747) gives an account of expenditures for cabin stores of eight passengers from London to Maryland. They amounted to £8. 8s. apiece.

[156] Callister MSS., March 14, 1760.

[157] Maryland Gazette, May 10, September 27, 1745.

[158] Alexander Hamilton, while visiting a friend in Joppa, was shown an English letter "written in a gazette style, which seemed to be an abridgment of the political history of the times and a dissection of the machinations of the French, in their late designs upon Great Britain" (Hamilton's Itinerarium, p. 3).

often reaching England before it did one of the neighboring provinces.[159] The directness of the intercourse with England enabled many colonists not only to buy from "home" in a wholesale way, but also to do much of their petty shopping in the London stores.[160] Almost every departing captain went away loaded down with personal commissions to make little purchases for friends in Maryland, and returned with numerous small parcels to be delivered to various individuals on this side.[161] Maryland ladies even had London shopkeepers file away their stay, dress, and shoe patterns, that they might be sure of a fit.[162] Henry Callister while at Oxford was able to send small mementoes to his friends in England by captains returning from the colony.[163]

Communication within the colony was not always so easy. Before 1713 official despatches were often brought to their destination in the colony only by the officers' impressing the horses of the inhabitants. In that year an act was passed making it a part of the sheriff's duty to forward all official letters through his county, for which he was paid in the county levy.[164] This act remained in force until the close of the colonial period, and the arrangement constituted a sort of official postal service.

---

[159] Callister MSS., February 16, 1746/7.

[160] Henry Callister ordered in 1749 some London ale, one barrel of potatoes, one tierce of beef, coral and bells, Jeffries' four-sheet map of North America, Pope's Works, and so on (Callister MSS., November 12, 1749). Many accounts between planter and merchant show the same. Callister and his neighbors also imported books every year (ibid., September 20, 1762).

[161] See advertisements of such parcels for persons whom the captain could not find, in Maryland Gazette, July 26, 1745; February 8, 1759.

[162] "Mrs. Ridgelys Shoes are made by the pattern Shoe I brought home with me, which hangs up in my Closet on purpose always to fit her" (Ridgely Papers, November 8, 1766). Callister ordered Anthony Bacon to send Mrs. Callister "a handsome rich silk made up for her (you know her size) full dress suit, girdle & buckle" (Callister MSS., October 15, 1750).

[163] Callister MSS., August, 1748.

[164] Bacon, 1713, ch. 2. Officials themselves seem to have continued to practice impressing. In 1720 there was a complaint against two men who impressed ferrymen to put them across the bay and then received an allowance for traveling expenses (Lower House Journal, April 13, 1720).

Private persons were not favored with postal facilities until many years later. In the meantime the public depended for the delivery of letters largely upon the friendly offices of any well-disposed individual. One's friends and acquaintances who happened to be making a journey were in the earlier times the chief dependence as disseminators of news and carriers of letters. Hamilton speaks of receiving commissions to deliver to his friends,[165] and Callister not only sent letters by friends, but also requested that his correspondents should forward letters still farther.[166] Even a stranger might be asked to do such favors. Callister wrote in one letter, "I know not by whom this will be handed you; it waits for the first traveller of a good aspect."[167] Business was transacted through messages carried by friends,[168] and even money payments would sometimes be left in the hands of third parties to be delivered to the owner.[169]

More dependable ways were of course found for important communications or for those that could not await a chance opportunity. Private messengers might always be sent, and were made much use of.[170] The demand for messengers was sufficient for one man to advertise in the Maryland Gazette in 1746 that he stood ready to serve "as reasonably as any one" those who had "occasion to send a Messenger to any Distant Part of this, or to any of the Neighboring Governments."[171] In 1745 an advertisement stated that a team would go every week from Charlotte Town to Patapsco, and that a letter might be sent for four pence and a package under two pounds in weight for six pence. It was further proposed that in the spring of 1746 a caravan should be established between these places and

[165] Pp. 236, 238.
[166] Callister MSS., March 14, 1760; September 20, 1761.
[167] Ibid., November 3, 1761.
[168] Ibid., July 2, 1761.
[169] Ridgely Papers, August 15, 1765.
[170] "Moravian Diaries of Travels Through Virginia: Extracts from the Diary of Leonhard Schnell and John Brandmueller," in Virginia Magazine of History, vol. xi, p. 118; Ridgely Papers, June 23, 1764.
[171] February 4, 1746.

York, Lancaster, and Philadelphia, " for the conveniency of Passengers, Goods, Letters, etc."[172] This was a common carrier of a very advanced type. An extension of the special messenger plan was the regular rider, who was usually supported by subscriptions. Various persons would contribute a certain amount each year to maintain a rider, who would make the trip between given points at stated intervals. The subscribers had the right to send letters without further cost. A scheme was launched in 1756 for establishing riders on the Western Shore " from one Court-House to another, once a Week, by which Means a Weekly Correspondence may be carried on between *Annapolis* and those Places."[173] The plan was probably successful, for in 1759 notice was given to the supporters of the rider from Annapolis to St. Mary's court-house that the time of their subscriptions had expired, but that the rider would be continued in the belief that the subscription list would be made up.[174] Such riders were maintained not only within Maryland, but also between that and other colonies.[175]

Side by side with these private posts was maintained the government post. In 1710 the British government first organized a postal system, but it seems not to have embraced Maryland until 1728. On May 9 of that year the Weekly Mercury of Philadelphia announced the setting out of the Maryland post to perform his stage once a fortnight. The offices for receiving and delivering letters were to be at Andrew Bradford's in Philadelphia, James Sykes's in New Castle, and William Parks's in Annapolis. With the extension of this system southward a thread of communication was established straight across the colony, following the main road from New Castle to Susquehanna, Joppa, Balti-

[172] Maryland Gazette, October 18, 1745.

[173] Ibid., February 12, 1756.

[174] Ibid., December 20, 1759. A similar plan for running a decked boat weekly between Annapolis and Oxford has already been noticed (above, page 153).

[175] Callister to Morris, of Philadelphia: "It will reach your hands without any charge, as I am a subscriber to this Rider: but I apprehend the rest of the journey [to New York] will be attended with some Cost" (Callister MSS., September 20, 1761).

more, Annapolis, Alexandria, and the South. No lateral extensions of this system were made during the period under discussion, though in 1764 Governor Sharpe was of the opinion that it would pay to establish an office in each of the fourteen counties.[176] Communication was improved at the other end by the establishment in 1756 of a system of packets between Falmouth and the colonies. Mail left Annapolis for the New York packet on the second Saturday of every month. The rates for letters were one shilling per sheet or four shillings per ounce.[177]

The arrival and departure of the carriers seem to have been fairly regular. In 1744, to be sure, Henry Callister wrote, "Our Posts are not regular, & other opportunities [for sending letters] are less frequent," but Callister was then living far from the postal route, and the irregularity may have been between Annapolis and Oxford.[178] By 1761 a weekly service had been established in the summer time, the carriers meeting at Annapolis to exchange mail for the North and the South. The time of meeting was at first on Wednesday, later on Sunday afternoon.[179] Such a definitely appointed meeting time would not have been probable without considerable actual regularity. Late in November each year the winter schedule of fortnightly trips was begun, and news became scarce in the province.[180] In the depth

[176] "The only Offices which are at present established in this Province for the Reception of Letters are on the main Road which leads thro this place between Philadelphia & Virginia, but I am inclined to think that if a Post Office was to be opened at some Central Place in each of the fourteen Counties into which this Province is divided & proper measures taken for the Conveyance of Letters hither from such Offices & hence thither every week the Revenue of the Post Office would after some time be thereby increased & Letters would be conveyed in a very few Days from one End of the Province to the other" (Archives, vol. xiv, pp. 180, 181).

[177] Maryland Gazette, February 12, 1756; Plantations General, vol. xv (Public Record Office, C. O. 323: 13), O 130.

[178] Callister MSS., November 25, 1744. It is possible that by "Posts" he meant private carriers; but this is not probable, as these were usually called "riders."

[179] Maryland Gazette, July 2, 1761.

[180] The Maryland Gazette complained of the dearth of news, and invited contributions at this time (November 26, 1761). Callister advertised in the Pennsylvania Gazette in alternate weeks, "as the papers come in by pairs" (Callister MSS., 1763).

of winter conditions became worse, for communication was then frequently stopped by ice and snow. On December 31, 1761, the Gazette said that there had been no communication with the Eastern Shore for six days, that mail from the North was a day overdue, and that there had been no mail from the South for four weeks. In Maryland this was early in the winter for delays to occur. Such irregularities as this, however, were negligible, and except for its narrow geographical limitation the colonial postal system seems to have been fairly efficient.[181]

Letters sent through the public post-office as well as private communications seem to have been forwarded to persons not directly on the route by any chance means that might offer. The taverns in particular were used as depositories for mail. From early times it was customary to leave letters and packages for persons at the nearest convenient tavern on the chance that the owner might happen to stop in or that some kindly disposed person would carry the packet on another stage of its journey. The act of 1713 referring to letters containing protested bills of exchange states that " for want of due Care of such Letters, in which the same are enclosed, no settled Post-Houses being appointed for the Reception of them, many times sundry evil-minded Persons find Occasion clandestinely to take such Letters out of the Public Houses, where they are generally left, and break open and conceal the same, to the great Detriment of sundry of the Inhabitants, Merchants, and Traders." Jonas Green complained that he had lost two hundred subscribers to the Maryland Gazette by the robbing of packets directed to him containing subscription money.[182] This probably refers to packets sent by private conveyance, but the public post forwarded letters in the same way and was

[181] The postmasters appear to have undertaken other affairs for patrons than the delivering of mail. Callister, in writing of a thief whom he had pursued toward Charleston, South Carolina, says, " I have now given the affair in charge to the Post Master" (Callister MSS., July 17, 1762).

[182] Maryland Gazette, May 3, 1753.

doubtless subject to the same danger. Henry Callister wrote in 1760: "I have been mortified these two days by notice given me of a letter being seen at Geo^ge Town (about 9 Miles off) directed to me with the postage marked on it. I sent to enquire ab^t it yesterday, and find it was deliver'd to somebody to be left at a certain place for me; I sent thither: but no letter to be found. So that it is not likely I shall hear from you till you write again."[183]

Though such a state of affairs in the post-office may seem crude to one accustomed to the system of today, it was a vast improvement on the conditions of 1720. At that time there were few subscription riders and no post-office. By 1765 there were weekly posts between the colonies and subscription riders to every county. This marks a progress in forty-five years almost as great as was seen in the course of the next century.

With this rapidly growing system of travel and communication, the question arises as to the ways in which news was disseminated. A very important means of spreading news was the public meeting. Assemblies of various sorts were common. The weekly church services gathered together the people of each community, and were of such importance that, as is well known, the church door was made use of as an advertising medium. The large annual gatherings of the Quakers brought together people from a far wider area. These meetings partook of the nature of a fair. The following is a description of such a gathering in 1727: "The Yearly Meeting now came on, which held for four days, viz.: three for worship, and one for business. Many people resort to it, and transact a deal of trade one with another, so that it is a kind of market or change where the captains of ships and the planters meet and settle their affairs; and this draws abundance of people of the best rank to it."[184]

[183] Callister MSS., August 11, 1760.

[184] S. Bownas, Travels, quoted in J. S. Norris, "The Early Friends (or Quakers) in Maryland," p. 13, in Maryland Historical Society, Miscellaneous Publications, vol. ii. The Quakers complained to the assembly that they were disturbed in their worship at West River and Choptank by the setting up of booths and the sale of drink (Lower House Journal, October 12, 1725).

Different in form but equally effective was the horse-race. This sport was always popular in Maryland, and the combination of a race and a fair so familiar today was common in colonial times.[185] Gregory, in traveling across Kent County in 1765, "came to a place where there was a fair and 2 horse races. Stayed there an hour; drank Punch and saw the diversion."[186]

The most important meetings from a commercial point of view were the county courts, which met four times a year in each county. Many people had to attend on legal business, and the entire county always made the court session a time of great social and business activity. That large numbers of people attended the courts is attested by the presence of petty dram and cake sellers, who not only diverted trade from the licensed ordinaries, but were also "the occasion of Tumults in retardacion of the Proceedings of the . . . Court."[187] Tobacco buyers and other dealers attended the county seats during court time, and moved from court to court in regular circuits.[188] At all of these meetings commercial and political matters were discussed, and the dispersing crowds carried news of all sorts to every part of the country-side.

During most of the period under discussion by far the most important means of disseminating news was the provincial newspaper, the Maryland Gazette. The first copy of this paper was published in Annapolis by William Parks

[185] "On Monday last was held on the North Side of Severn, for the first Time in the Memory of Man, A Fair, where were Run several Horse Races, for sundry good Prizes; and a fine Smock was Run for, by certain Persons, who were not all of the Female Sex, which was won by a well legged Girl. The Day was concluded by two sumptuous Balls, at two several Places" (Maryland Gazette, June 14, 1753). See also many advertisements in ibid.

[186] "William Gregory's Journal," pp. 226–229.

[187] Charles County, Court Records, June, 1721, Liber K No. 2, binding no. 30, p. 133; Baltimore County, Court Records, August, 1719, Liber JS No. C, p. 229; see also advertisement "to atend at his Shop . . . at the time of all publick Courts and Assemblies" (Maryland Gazette, June 17, 1729).

[188] A charge in a ledger reads "p^{d}. my Expenses to St. Marys, Charles, Calvert, & Prince George's County Courts" (Library of Congress, Firm Accounts, Maryland and Virginia, Journal, 1762).

in September, 1727. It was a small four-page sheet carrying chiefly foreign news and advertisements, and its first period ran only until December, 1731. It was revived in December, 1732, and ran until December, 1734. In 1745 it was again revived by Jonas Green, the first copy appearing in April, and thereafter the paper continued without a break until 1810.[189] Both Parks and Green received aid from the assembly. In 1722 and 1723 the Lower House passed resolutions to aid a printer should one be found willing to settle at Annapolis, and in 1725 Thomas Bordley persuaded Parks to accept the offer.[190] By a resolution of the assembly Parks was allowed two thousand pounds of tobacco by each county for printing the laws and speeches of each session of the assembly. This resolution was later put in the form of an act,[191] which was continued until 1740.[192] In 1744 a similar law was passed allowing Jonas Green £15 currency from each county,[193] and in 1749 this allowance was raised to £20.[194] Further patronage of the same nature was extended in 1756 and 1762.[195] It was by means of these favors that Parks and Green were enabled to continue their work in Annapolis and to publish not only the laws, but also a number of small books and the Gazette.

The Maryland Gazette was a real force in the colony. Advertisements were plentiful, and though naturally Annapolis furnished most of them, all parts of the colony were represented, especially the west. The importance of the paper was shown by the part it played in public agitations for paper money and tobacco regulation.[196] Unfortunately

[189] C. Evans, American Bibliography.
[190] Upper House Journal, November 6, 1725; March 17, 23, 1725/6.
[191] Laws of Maryland, 1727, p. 13.
[192] Bacon, 1727, ch. 8.
[193] Acts of Assembly passed in May, 1744, p. 5.
[194] Acts of Assembly passed in May, 1749, p. 11.
[195] Acts of 1756; Bacon, 1762, ch. 24.
[196] On May 15, 1750, the Lower House entered the following resolution: "Ordered, That Mr. Green do print the Law for preventing the exporting of Trash or bad Tobacco, in his next News-Papers, and dispense them with the utmost Dispatch; that there may be an immediate Notification to all Persons, of that Law, in order for the due Observation of it."

for us, local news was neglected in the interests of foreign despatches. Provincial affairs received most attention during the wars, when military movements were fully detailed. During the winter news was usually scarce and correspondence was invited.[197] This brought forth many letters and poems from local talent, and now and then a discussion of a public question. There is no information as to the amount of circulation enjoyed by the Gazette, but if we may accept literally Green's statement that robbing of the mails cost him two hundred subscribers, the total list must have been rather extensive to support such a loss.

The Philadelphia papers were of importance comparable with that of the Maryland Gazette as disseminators of news in Maryland. The American Weekly Mercury and the Pennsylvania Gazette both carried advertisements from Maryland, even after the establishment of the paper at Annapolis. In some instances these advertisements appear only in alternate issues, for the papers reached some parts of Maryland in pairs every second week.[198] These papers carried about the same kinds of matter as the Maryland Gazette, but gave somewhat fuller accounts of trade, prices, arrivals and departures, and such things. The importance of these journals to a business man in Maryland is attested by a letter written by Henry Callister in which he maintained that his subscriptions for the years immediately following 1745 should be paid by his employers, Cunliffe and Company, as the papers were necessary for his business at Wye.[199]

A summary of the changes which had taken place between 1720 and 1765 shows a remarkable advance in methods of transportation, travel, and communication. In that time the highway system had extended so that the road enumerations by the county courts in 1765 occupy more than twice as much space as those in 1720. All the roads back to the mountain valleys were constructed. Many new bridges and causeways were built. Hand in hand with these increasing

[197] Maryland Gazette, November 26, 1761.
[198] Callister MSS., 1763.
[199] Ibid., May 17, 1763.

facilities for travel had gone a much wider use of wheeled vehicles, the development of a system of subscription riders, the establishment of a regular post-office, and, finally, the circulation of several newspapers. These were striking advances. In the years to come improvements were made in the systems already established in 1765, but no important changes came in methods of transportation and communication until the mechanical inventions of the next century brought in the steamboat, the railroad, and the telegraph.

INDEX

Accounts, in tobacco, 21 n.
Adams, paper-money trustee, 93.
American Weekly Mercury, 169–170.
Annapolis, headquarters of loan-office, 116; Rock Hall Ferry to, 136.
Arabian "chequin," 25.
Attorney-general, to administer road laws, 133.
Auditing committees, reports of, 87 n.
Ayer, J. B., 117 n.

Ballast, dumping of, 156.
Baltimore, Lord, establishes mint, 12; instructs against cut coin, 27; appoints paper-money trustees, 93; claims right to regulate money, 108; grants tavern licenses to Cecilius Calvert, 151.
Baltimore City, 126.
Bank of England, stock for paper money, 84; decline in stock of, 104.
Banking through English merchants, 39–40.
Banks, lack of, 17, 39, 113.
Barter, advertisements of, 74; prevalence of, 74–75; in private accounts, 75; used in complicated transactions, 75–76; recognized by legislature, 76.
Bavarian caroline, 24.
Bill brokers, 42.
Bills of exchange, definition of, 38; protests of, 38; advantages of, 38–39; use in foreign transactions, 39; use in transactions with England, 39; usefulness between colonies, 40–41; drift northward of, 41; as circulating medium of colony, 42; fluctuation of, 42–44, 47; effect of war upon, 45–46, 47; misunderstood by colonists, 46; stolen from letters, 165.
Bit. See Real.
Blackiston, Governor, 29 n.
Board of Trade, discusses paper money, 108.
Book credits, 119.
Bookkeeping, confusion in, 100; "Italian method," 100.
Braddock Expedition, wagons for, 146.
Bridges, built by contract, 135; kept up by overseers, 136.
British coin, 21.
Bullion, great supply of, 14 n.; from Philadelphia, 16 n. See also Coin.
Buoys, 155–156.
Butter, peddling of, 145 n.

Calvert, Benedict Leonard, on need of paper currency, 79.
Calvert, Cecilius, fears common currency, 34 n.; incensed at money speculators, 107; grants tavern licenses, 151.
Canadian Expedition, paper money lent for, 95.
Cape Henry, lighthouse on, 155–156.
Capital, sources of, 115–116; from loan-office, 116–117; from merchants, 117; from wealthy individuals, 117; commission system, 119.
Carroll family, lend much money, 117.
Causeways, description of, 134.
Chesapeake and Ohio Canal, 157.
Chesapeake canoe, 152 n.
Churches, as distributors of news, 166.

Coachmen, 147 n.
Coin, methods of bringing to Maryland, 11–12; from neighboring colonies, 13; interchange with Virginia, 15; exportation of, 15–16; shipment to England, 16; scarcity of, 16–18, 36; hoarding of, 17–18; importation of, encouraged, 19; increase of, 20–21; variety of, 21; sterling, 21; Spanish, 22; fractional, 23; German, 24; French, 24; Portuguese, 24; condition of, 25; cutting and clipping of, 25–27, 37; exchange of, by weight, 27; values of, 30; standards of value, 28–32; valuations of, by act of 1753, 33 n.; substitutes for, 48; used for small transactions, 50.
Colonial coinage for America, 12 n.
Commission system, 119.
"Common" currency, 33.
Communication, by water, 154; perils of, 154–155; with England, 160–161; with colonies, 161. See also Letters and Post-Office.
Conococheague River, kept open by assembly, 157.
Contracts, time of payment of, 55 n.
Counterfeiting, act for prevention of, 26.
County courts, control roads, 123; control ferries, 140–142; news spread by, 167.
Credit, to modern tobacco producers, 117 n.; to planters, effect of, 119 n.; on books, 119.
Cross dollar, 22.
Crown, French, 24.
Cruickshank, paper-money trustee, 84.
Crusado, 24.
Cuban Expedition, paper money lent for, 95.
Cutting of coins, 25–27, 37.

Debts, time of payment, 55; suspension of, in bad years, 55–56.
Divisibility of tobacco money, 62.
Dog dollar, 23, 30 n.
Dollar, kinds of, 22–23; as money denomination, 111 n.
Doubloon, 23.
Ducatoon of Flanders, 24.
Dulany, Daniel, on necessity of paper money, 23 n., 51, 108, 111; claims right to license ferries, 140.
Dulany family, lend much money, 117.
Durability of tobacco money, 56.
Dutch coin, 24.
Duties, levied to repay loans, 101–102.

Eastern Shore, decline of tobacco currency on, 71.
Écu, 24.
England, source of supplies, 11; shipment of money to, 16.
English money, 49.
Exchange, of sterling for other standards, 36 n.; on bills, 42–46, 47; loose use of term, 42 n., 45 n., 46 n.
Executions, limited in time, 55.

Fairs, advertisement of, 167.
Ferries, across large rivers, 136; description of, 136–137; dangers of, 137; delays of, 137–138; classes of, 138; private, 138; public, 139; control of, 140–142; licenses for, 140–142; sailboats on, 153.
Ferrymen, complaints against, 138.
Fiat money, 78.
Flanders, coin of, 24.
Flax, as monetary substance, 70.
Fords, 135.
Forests, prevalence of, 131–132.
Fractional currency, scarcity of, 23.
Frederick Road, 127.
French coins, 24.
French war, and tobacco prices, 63; effect on currency, 101.
Fur, substitute for coin, 48.

Gates in roads, 131–132.
German coin, 24.

Government loans, 101–103.
Green, Jonas, public printer, 103; edits Maryland Gazette, 168.
Greenwich Hospital, sixpenny assessment for, 49 n.
Guilder, three-guilder piece, 24.
Guinea, French, 24.

Hanbury, John, paper-money trustee, 93.
Harbors, protection of, 156. See also Waterways.
Hemp, as monetary substance, 70.
Holland, coin of, 24.
Homogeneity of tobacco money, 59–62, 68.
Horse-races, 167.
Hunt, paper-money trustee, 84; death of, 93.
Hyde, paper-money trustee, 84; death of, 93.

Impressment of transportation, 161 n.
Indian war, effect on currency, 102.
Indigo, substitute for coin, 48.
Innkeepers, demand higher prices, 88 n.
Inns. See Ordinaries.
Inspection act, of 1747, 62, 69; of 1753, coins in, 33 n., 106.
Inspection, by merchants, 61 n.
Interest rate, 113–114.
Irish servants, tax on, 94.
Iron workers, excused from road work, 122 n.
Iron works, blocking Patapsco, 156 n.

Johannas, 24.
Justices of the peace, fail to return paper money, 85 n.

Legal tender, of hemp and flax, 70; of other commodities, 76; laws governing, 114.
Lending, 117.
Letters, official, 161; delivered by friends, 162; loss of, 165. See also Post-Office.
Levies, from those not producing tobacco, 106 n.
Licenses, for ordinaries, 94–95; for ferries, 140–142; for pilots, 154–155.
Lighthouses, 155–156.
Lion dollar, 30 n.
Liquors, tax on, 94.
Loan-office, amount lent, 86; government indebtedness to, 100–101; success of, 109–110; as source of capital, 116–117.
Loans, taxes to repay, 101–102.
Louis, silver, 24.

Mail. See Post-Office.
Maryland Gazette, advertises paper-money controversy, 80; description of, 167–168; importance of, 168–170.
Merchants, as bankers, 39–40; inspection of tobacco by, 61 n.; as source of capital, 117.
Messengers, 162.
Mexican dollar, 22; value of, 30.
Mills, 14 n.
Mint, proposed establishment of, 12; absence of, 21, 25.
Moidore, 24.
Money, kinds of, 9; supplanting tobacco, 72; complication of standards of, 112–113.
Money scales, 27.
Monocacy River, kept open by assembly, 157.
Monocacy road system, 125.
Morris, Robert, ledger of, 88 n.

Navigation, pilot licenses, 154–155; lack of buoys and lighthouses, 155–156.
Negroes, tax on, 94.
News, spread by church gatherings, 166; by horse-races and fairs, 167; by county courts, 167; by Maryland Gazette, 167.
News-letters, 160 n.
Newspapers, Maryland Gazette, 167–169; American Weekly Mercury, 169–170; Philadelphia Gazette, 169–170.
Newton, Sir Isaac, assay by, 22 n.
Notes, private, 23 n.; tobacco, 58, 68; in barter, 75–76.

Officers' fees, controversy over, 83, 88–90; made payable in paper, 91–92; payable in money, 105.
Ogle, Governor, 107.
Ohio Company, 157.
Ordinaries, licenses for, 94, 150–152; number of, 147 n., 148; profits of, 148–149; regulation of, 149–150; credit to common people in, 150 n.; schedule of prices, 150 n.; regulated by assembly, 152; depositories for mail, 165.
Ordinary licenses, 94, 150–152; Sharpe's opinion of, 152 n.
Overseers of roads, 122–123.

Paper money, issued by private individuals, 23 n.; issue of 1733, effect on coin, 31; effect on bills of exchange, 44, 47; reason for issue, 52, 79; experiments in other colonies, 78; agitation for, 80–82; as payment of fees, 83, 88–90; surplus held by justices, 85 n.; periods of redemption, 85–86, 97; first circulation of, 86; depreciation of, 87–90; lack of confidence in, 89; excessive issue of, 89; effect of tobacco act on, 91–92; made tender for officers' fees, 91–92; speculation in, 92; loans to government, 94–96; loan for Cuban and Canadian expeditions, 95; first redemption of, 96–97; increased demand for, 97; fluctuations of, in second period, 97–99; rise in value, 98; change of prices due to, 99–100; confusion in bookkeeping of, 100; poor management of, 100; reissue of unredeemed, 102 n.; as aid in public finances, 103; final redemption of, 104–105; issue of 1756, 106; speculation in, 106–108; parliamentary interference with, 108–109; later issues, 108–109, 111; abolishes need of tobacco, 110; stimulus to trade, 110–111.
Paper-money act, 48; inadequacy of, 52–53; prohibits seconds, 60; passage of, 82–83; preamble, 83 n.; provisions of, 84–85.
Paper-money trustees, new appointments, 93.
Parks, William, establishes Maryland Gazette, 167–168.
Parliament, forbids legal-tender paper, 108.
Patuxent River, opening of, 157.
Peddling, of butter, 145 n.
Pennsylvania, source of bullion, 13.
Pesetas, 23.
Petitions. See Road petitions.
Philadelphia, bullion from, 16 n.; wagon road from, 126; newspapers of, 169–170.
Philadelphia Gazette, 169–170.
Pillar dollar, 22.
Pilots, 154–155.
Pistareen, 23.
Pistole, Spanish, 23; value of, 30.
Portability of tobacco money, 56, 68.
Portages, part of general road system, 128.
Portuguese coin, 24.
Postmasters, undertake other duties, 165 n.
Post-office, sheriffs' duty in forwarding official letters, 161; establishment of, 163–164; development of, 166.
Potomac River, opening of, 157.
Potomac River Road, 126.
Powder and shot, substitute for coin, 48.
Prices, vary with paper money, 99–100.
Proclamation money, 32.
Protests, of bills of exchange, 38.

Quakers, meetings of, 166.
Queen Anne, proclamation of, 24, 29–32, 34, 37.

Races, 167.
Reals, 23.
Redemption of paper money, 96–97, 104–105.
Rice, as substitute for coin, 48.
Riders, subscription, 163.

Rivers. See Waterways.
Rix dollar, 23.
Road laws, attorney-general to administer, 133.
Road overseers, delinquency of, 123 n.; increase of, 130; inefficiency of, 132; care of bridges by, 135–136.
Road petitions, examples of, 129 n.
Roads, act of 1704, 122; system of administration, 122–123; overseers, 122–123; changes in, 123; private, 123–124; laying out of, 124; between Philadelphia and Virginia, 125; western system, 125; Philadelphia wagon road, 126; Annapolis to Frederick, 126–127; three systems of, 128–129; extension of, 130; character of, 130–131; through forests, 131–132; gates in, 131–132; marking of, 132–133; description of, 133 n.; condition of, 133–134.
Rock Hall, ferry to Annapolis, 136.
Rolling of tobacco, 142–143.
"Running" money, 33.

Sailing ferries, 153.
Sailors, must roll tobacco, 143–144.
"Seconds," prohibited by paper-money act, 60.
Sharpe, Governor Horatio, reprimands assembly, 100; desires means of lending to manor tenants, 116; opinion of ordinary licenses, 152 n.
Sheriffs, duty to carry messages, 161.
Sotweed Redivivus, on clipping, 27 n.; on paper money, 80 n.
Spanish coin, 22, 49.
Speculation in paper money, 92, 105–108.
Spread-eagle dollar, 23.
Stability of value of tobacco, 62–63.
Stamp Act, 17.
Standards of value, changes in, 28–29; debasement complained of, 29 n.; proclamation, 32; "common" or "running" money, 33; confusion of, 34–35, 37, 121; failure of tobacco as, 63–64; "sterling goods," 64–65; complication of, 112–113.
Staves, used as money, 75.
Sterling, methods of paying in, 36 n.; loose use of term, 42 n., 45 n.; "sterling goods" standard, 64–65.
Sugar, substitute for coin, 48.

Taverns. See Ordinaries.
Taxables, definition of, 60 n.
Tenders, regulation of, 61.
Tobacco, substitute for coin, 19; accounts in, 21 n.; official money of province, 48; money of business world, 49; used for large bills, 50; did not circulate, 50; lack of fitness as money, 51; supply of, equal to monetary needs, 51; variations in supplies of individuals, 51–52; abandoned for grain, 51–52; complaints of, as money, 52–53; variations between seasons, 54–55; variations between years, 55–56; portability of, 56–57, 68; durability of, 56, 68; not moved much, 57; regulation of quality, 59; homogeneity of, 59–62, 68; inspection of, 60–61, 68; tenders of, 61; divisibility of, 62; unprofitable in small amounts, 62; stability in value of, 62–63, 68, 78; poor standard of value, 63–64, 68; variations of price caused by legislation, 65–66; defective as monetary substance, 67–68; staple product as well as money, 68; abandonment of, ter, 75; complaints of, 79–80; as money, 71–73, 120; as bar- supplanted as money by paper, 110; interest on, 113–114; transportation of, 142–143.
Tobacco act, of 1747, 53–54, 62, 69; of 1753, coins in, 33 n., 106.
Tobacco legislation, 69.
Tobacco notes, 58, 68.

Tolls, collected from non-residents, 139 n.
Trade, stimulated by paper money, 110–111.
Transportation, relation to money, 122; of tobacco, 142–143; use of small boats in, 153–154.
Travel, by land, 146–147; by water, 152–155; hindered by alternation of land and water, 157–158; intercolonial, 158–159; time required for, 159; between Maryland and England, 159–161.

Virginia, interchange of bullion with, 15; borrowing from Maryland, 15 n.

Wagons, supply of, 144–146; for Braddock Expedition, 146.
Wampum, substitute for coin, 19, 48.
Warehouses, establishment of in 1747, 58–59.
Waterways, protection of, 156; filling up of, 156–157.
West Indian expedition, 149–150.
West Indies, source of bullion, 13.
William and Mary College, revenue for, 49 n.
Wood Patent, 12 n.

Yearly meetings of Quakers, 116.
Young, Colonel Samuel, 35.

HOME USE
CIRCULATION DEPARTMENT
MAIN LIBRARY

This book is due on the last date stamped below.
1-month loans may be renewed by calling 642-3405.
6-month loans may be recharged by bringing books to Circulation Desk.
Renewals and recharges may be made 4 days prior to due date.
ALL BOOKS ARE SUBJECT TO RECALL 7 DAYS AFTER DATE CHECKED OUT.

REC'D CIRC DEPT FEB 3'74 19

MAY 30 1997

REC. CIR. DEC 2 '77

APR 26 19

APR 1 0 2003

MAY 2 3 2006

LD21–A30m-7,'73
(R2275s10)476—A-32

General Library
University of California
Berkeley

LD 21–100m-2,'55
(B139s22)476

General Library
University of California
Berkeley

GENERAL LIBRARY - U.C. BERKELEY

B000284795

317823

H
31
J6
Set.2

UNIVERSITY OF CALIFORNIA LIBRARY